Bureau of Safety and Environmental Enforcement

Environmental Stewardship Collaboration Core Group

Final Report

July 2016

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Executive Summary

The Bureau of Safety and Environmental Enforcement (BSEE) strives to be a world leader in safety and environmental stewardship. The Bureau's efforts to promote safety and environmental protection on the Outer Continental Shelf (OCS) span all of BSEE's mission areas, including permit reviews, inspections, enforcement, research, regulation and standard development, as well as oil spill response preparedness. Consequently, environmental stewardship is an essential element of all BSEE programs and functions. However, while BSEE's role in promoting safety is well known, there appears to be both an internal and external lack of understanding of BSEE's overall systemic approach to environmental stewardship.

Recognizing this knowledge or perception gap, BSEE agreed to undertake a "visioning" activity to assist in determining current and emerging environmental risks and whether BSEE has the best mitigation strategies in place. As a part of this effort, BSEE Director Brian Salerno convened the Environmental Stewardship Collaboration Core Group in early 2016. The group was tasked with clarifying and describing BSEE's environmental stewardship vision and mission, and building on BSEE's current program goals, activities, roles, and responsibilities with a focus on identifying new ways to enhance environmental stewardship throughout BSEE.

Convening over a 90-day period from February to May 2016, the Core Group met collectively and in three separate working groups to identify critical factors and priorities in environmental stewardship and to develop recommendations and actions that would enable BSEE to better fulfill its environmental stewardship role. Each working group identified the current state of environmental stewardship, interagency collaboration, and communication at BSEE and offered a vision for a proposed future state for each topic. The groups also made specific recommendations to Director Salerno to highlight, advance, and continue BSEE's role in environmental stewardship.

This report – the primary product from the Core Group's efforts – aims to identify the interface between affected resources and related BSEE functions and help highlight linkages and gaps with respect to BSEE's role in environmental stewardship. It reflects a final consensus incorporating the views of the Core Group and Interagency Advisory members and contains 10 specific recommendations (as well as potential implementation strategies) regarding:

- BSEE's environmental stewardship responsibilities;
- Coordination efforts with agency partners on environmental stewardship; and
- Tracking and communicating BSEE's environmental stewardship success.

The Core Group agreed that all recommendations would meet the following requirements:

- Be framed such that BSEE management and BSEE staff are both responsible and accountable for environmental stewardship;
- Be actionable within approximately 24 months (although they do not have to be completed within this time frame); and

- Include potential details, metrics, and suggestions for implementation.

The Core Group developed the following 10 recommendations to help BSEE advance its environmental stewardship mission. During discussions the Group considered how each recommendation related to ongoing BSEE projects (if applicable) and how it would advance environmental stewardship. For each recommendation, the group identified responsible parties, the need for additional resources (if applicable), deadlines, and provided potential suggestions for implementation and metrics. Members also identified the recommendations that should become BSEE's top priorities for implementation in FY16/17.

The final Core Group recommendations are as follows:

1. *Adopt a Bureau-wide definition of environmental stewardship.*

2. *Use strategic, targeted tools and practices to recognize and highlight environmental stewardship.*

3. *Ensure that BSEE's environmental experts are integrated into program decision-making processes (FY16).*

4. *Establish an annual Environmental Stewardship Week dedicated to environmental stewardship awareness and training for all BSEE employees.*

5. *Strengthen measurement and reporting of environmental stewardship activities.*

6. *Develop a standard set of environmental stewardship messages to communicate BSEE's environmental stewardship mission and support outreach efforts by programs.*

7. *Establish an internal working group representing all levels of the Bureau (regional and programmatic) to conduct a comprehensive review of all collaboration agreements to identify the agreements and assess the relationship related to environmental stewardship.*

8. *Establish an internal working group for each of the following MOUs/MOAs to revise/enhance existing agreements (in priority order below):*
    - *DOI/DOT*
    - *DOI/EPA (and Regional MOAs)*
    - *BOEM/BSEE/ONRR and BOEM/BSEE*
    - *DOI/MMS (and Individual State Agreements)*

9. *Intergovernmental Affairs Manager should initiate conversation with other agencies to determine their perspectives on environmental stewardship and interagency relationship.*

10. *Establish an Interagency Environmental Stewardship working group to strengthen relationships with other federal agencies and promote BSEE's communication strategies.*

The Director-led Environmental Stewardship Collaboration Core Group is an integral component of BSEE's expanding role as a world leader in safety and environmental stewardship. The Core Group's findings and recommendations will help BSEE foster a culture of environmental stewardship and promote collaboration with the Bureau of Ocean Energy Management (BOEM) and other entities to further this mission. Moving forward, this report and its recommendations will become an important tool to help BSEE promote environmental stewardship through its broad suite of integrated prevention, compliance, research, educational, and preparedness activities.

Background and Purpose

BSEE's recent realignment efforts to promote safety and environmental protection on the OCS spans all of BSEE's mission areas, including permit reviews, inspections, investigations, enforcement, research, regulation and standard development, and oil spill response preparedness. Moving forward, the Bureau is focused on enhancing its environmental stewardship efforts so that BSEE can help the industry mitigate and reduce risks to the environment. However, there appears to be both an internal and external lack of understanding of BSEE's overall systemic approach to environmental stewardship. Accordingly, the Management Council has decided to undertake a "visioning" activity to assist in determining current and emerging environmental risks and whether BSEE has the best mitigation strategies in place. Part of this effort was the development of BSEE's Environmental Stewardship Collaboration Core Group.

Why Environmental Stewardship at BSEE and Why Now?

Environmental stewardship, while not a new concept, has become more prominent in recent years as a range of groups – including individuals, companies, communities, and government organizations – have begun to advocate for practices that encourage environmental stewardship. In fact, BSEE Director Brian Salerno has made the better integration and communication of BSEE's environmental stewardship efforts a priority for FY16.

BSEE strives to be a world leader in safety and environmental stewardship. Consequently, environmental stewardship is an essential element of all BSEE programs and functions. The Bureau oversees a range of environmental resources and programs to ensure environmental compliance and promote environmental stewardship. BSEE's core functions should all promote environmental stewardship through integrated prevention, compliance, and preparedness activities.

A strong culture of environmental stewardship should extend across the entire organization, throughout every program and to each employee.

Some of BSEE's programs, such as environmental compliance and oil spill preparedness, clearly focus on environmental stewardship priorities. However, BSEE's commitment to environmental stewardship should be expressed holistically. Bureau-wide recognition of each employee's relationship with environmental stewardship has not always been clearly promoted or understood by BSEE staff. A strong culture of environmental stewardship should extend across the entire organization, throughout every program and to each employee.

One of the key questions the Core Group attempted to answer was: What does BSEE mean when referring to environmental stewardship? The responsible care and management of a thing or resource is a recurring theme in most definitions of stewardship. Environmental stewardship expands this concept of responsibility to incorporate the shared responsibility of all of those whose actions affect the environment. Environmental stewardship is the responsibility of all BSEE

employees to carry out to the highest standards all duties that contribute, directly or indirectly, to the management, protection, and care of the coastal, marine and human environments.[1]

The multiple marine basins and associated ecosystems in the OCS present BSEE with a wide array of environmental resources, species, communities, and habitats that require varied environmental protections. As a result, BSEE's environmental stewardship efforts must consider all of the areas, resources, and habitats on the OCS – as well as the potential environmental impacts of offshore oil and gas industry activities.

> Environmental stewardship is the responsibility of all BSEE employees to carry out to the highest standards all duties that contribute, directly or indirectly, to the management, protection, and care of the coastal, marine and human environments.

A primary goal of environmental stewardship is sustainability, which for BSEE's purposes can mean the sustained quality of OCS resources including air, water, ecosystems, culture, and energy. Both BSEE and the offshore oil and gas industry have a responsibility to be good stewards of these environmental resources. As a primary driver of environmental impacts on the OCS, industry has a responsibility to embrace and adopt a culture of stewardship. As the agency entrusted to promote safety, environmental protection, and resource conservation offshore, BSEE has a duty to encourage environmental stewardship both internally and among those in the offshore oil and gas industry. BSEE must also ensure the sustainability of a strong, Bureau-wide environmental stewardship culture that endures beyond the Core Group's efforts and this report.

Objectives/Purpose of Effort

The purpose of the Core Group is to clarify and describe BSEE's environmental stewardship vision and mission, building on BSEE's current program goals, activities, roles and responsibilities with a focus on identifying new ways to enhance environmental stewardship throughout BSEE.

The Core Group's goal is to develop a report that reflects a final consensus containing specific recommendations and actions and that incorporates the views of the Inter-Agency Advisory members regarding:

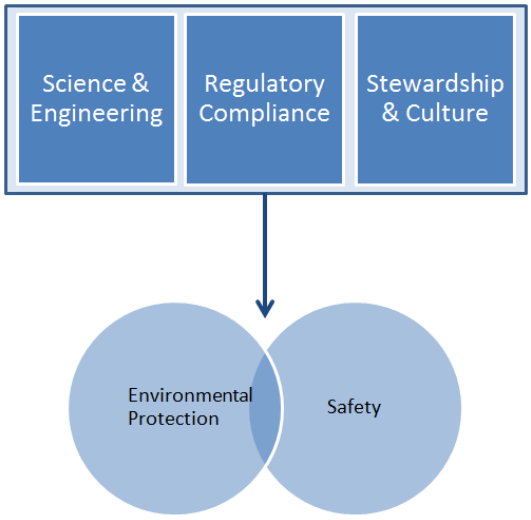
1) BSEE's environmental stewardship responsibilities;
2) Coordination efforts with agency partners on environmental stewardship; and
3) Tracking and communicating BSEE's environmental stewardship successes.

[1] *Coastal environment, marine environment,* and *human environment* are defined in the Outer Continental Shelf Lands Act, 43 USC §1331 et seq.

Safety and Stewardship Missions

At times, BSEE has been unfairly criticized for giving insufficient weight to its environmental missions as compared to its safety functions. BSEE's commitment to the environment overlaps with its efforts to ensure safety. There are times when both personnel safety and environmental resources are negatively impacted by a breakdown in engineering, compliance, or management culture/stewardship. Factors such as engineering failure; non-compliance with regulatory requirements; orders and standards; and poor management culture or stewardship are often the cause of many significant environmental impacts. Offshore safety and environmental resource protection are both affected by these factors. Moving forward, BSEE must focus on balancing the management of its missions and develop a comprehensive narrative that captures the relationship between these missions for dissemination to both internal and external audiences.

Figure 1: Shared Influencing Factors of Environmental Stewardship and Safety



Environmental Stewardship Collaboration Core Group

The Environmental Stewardship Collaboration Core Group convened for a 90-day period from February to May 2016. The Core Group's initial meeting was held on February 9-10 in Washington, DC. At this meeting, the group established an organizational structure, reviewed and discussed Argonne National Laboratory's (Argonne) environmental risk overview and began deliberations with the assistance of Doug Thompson and Tushar Kansal of the Consensus Building Institute. Core Group members represented BSEE's Environmental Compliance Division (ECD), Office of Offshore Regulatory Programs (OORP), Office of Policy and Analysis (OPAA), Oil Spill Preparedness Division (OSPD), Office of Public Affairs, the Regions (Alaska, Pacific and Gulf), Safety and Incident Investigations Division (SIID), Office of Congressional and International Affairs, as well as Bureau of Ocean Energy Management (BOEM). These members were chosen for their ability to: ably represent their organizational component; keep their organizational components informed and engaged as appropriate; work effectively, engage collaboratively, and coordinate regularly with others; and ably take a BSEE-wide and strategic view on environmental stewardship.

Core Group members were assigned to one of three working groups: environmental stewardship, interagency coordination, and communications.

Environmental Stewardship Working Group

The environmental stewardship working group was charged with articulating BSEE's concept and mission for environmental stewardship and proposing recommendations to achieve this vision. The group's work plan included developing a definition of environmental stewardship; identifying

specific environmental stewardship priorities; examining how offshore operations impact these priorities; and examining how BSEE programs and activities contribute to these priorities. The working group gathered and assessed information on how BSEE evaluates the potential environmental impacts of proposed and ongoing offshore operations and actions BSEE takes to avoid or mitigate these impacts. Sources of information included existing NEPA analyses for offshore operations; existing documentation related to BSEE's environmental compliance, oil spill preparedness and other program activities; and input from Bureau environmental experts.

The working group identified specific environmental stewardship priorities in order to focus resources and establish a baseline for improvement. The group identified the priorities listed in Table 1 through internal discussions and through review of existing NEPA analyses for the offshore oil and gas leasing program. These priorities were considered in light of the environmental impacts of offshore operations.

Table 1. BSEE Environmental Stewardship Priorities

Stewardship Priority	Description or Resource Examples	
Water quality	Marine and coastal waters on which OCS operations are conducted and into which effluents are discharged.	
Air quality	Includes meteorology and various atmospheric conditions susceptible to emissions from OCS operations.	
Habitat/Areas of Concern	Topographic Features/Potentially-Significant Biological Features National Marine Sanctuaries Pinnacles and Live Bottoms Wetlands and Barrier Islands	
Animal and benthic ecology	Marine Mammals Terrestrial Mammals Marine/Coastal Birds Reptiles (Sea Turtles, Tortoises) Fish/Artificial Reefs Commercial/Recreational Fisheries	Corals Chemosynthetic Organisms Mollusks Crustaceans Chordates Echinoderms
Archaeological and cultural resources	Shipwrecks Submerged/Buried Prehistoric Sites Onshore Prehistoric/Historic Resources and Sites	
Climate change adaptation and resilience	Considerations include impacts on marine and coastal systems where environmental sensitivities are typically associated with increasing atmospheric and ocean temperatures, sea level rise, coastal erosion, and ocean acidification.	

These priorities are not all-inclusive and may be categorized in different ways. The working group did not separately distinguish the acoustic environment as an environmental stewardship priority because it could be considered as falling within the marine habitat and animal ecology priorities. In addition, the following additional environmental stewardship considerations merit attention: socioeconomic resources (tourism, recreation, population and employment, land use and infrastructure, commercial and recreational fisheries), sociocultural systems, and environmental justice. These priorities are closely examined in existing NEPA analyses.

All BSEE program activities and functions contribute to environmental stewardship, some more directly than others. Table 2 contains selected high level environmental stewardship contributions of selected programs. Additional important program areas not listed in Table 2 include data stewardship, IT systems, administration, public affairs, congressional and international affairs, policy and analysis, and budget. BSEE's sophisticated IT systems—including, but not limited to, NCIS, eInspections, eWell, and the forthcoming ePermits—are noteworthy as critical tools in BSEE's environmental stewardship mission by facilitating documentation, access to information, and coordination between program offices on environmental issues.

Table 2: Environmental Stewardship Contribution Highlights of Selected Major Regulatory Programs

Program	Environmental Stewardship Contribution Highlights
Inspection	As the eyes and ears of BSEE, inspectors collect valuable on-scene information about the fitness of operators and equipment to continue their work. In detecting non-compliance, inspectors are often detecting potential environmental hazards. The inspector's detection and follow-up responsive actions have direct impacts on environmental stewardship priorities.
Investigation	Proper investigation of incidents, including those involving environmental harm or the threat of environmental harm, provides information that can be used to prevent the recurrence and occurrence of similar incidents. This information can also inform BSEE functions including environmental compliance, oil spill preparedness, and other programs.
Permitting	In evaluating permit application content and setting conditions of approval, BSEE has a unique opportunity to ensure that environmental concerns are given appropriate weight and consideration. Within BSEE, permit reviewers are among the first agents of environmental stewardship by thoughtfully considering potential environmental hazards and operator management of those hazards.
Oil Spill Preparedness	Ensuring that operators are prepared to respond to the maximum extent practicable to oil spills resulting from activities regulated by BSEE mitigates the risks of potential impacts from those activities.
Safety and Environmental Management Systems (SEMS)	BSEE's SEMS program uses information from audit plans, audit reports, and corrective action plans to assess how an operator is working to reduce or manage risk.
Regulations	One of BSEE's most significant tools in promoting environmental stewardship is developing and promulgating regulations. BSEE's regulations require operators to adhere to certain requirements which promote environmental protection and stewardship.
Standards	BSEE's standards program collaborates with industry groups to develop new or revised industry standards, many of which are designed to reduce the risk of an environmental hazard.
Best Available and Safest Technology (BAST)	Information from determinations on BAST candidate technologies can be used to better understand how a particular technology will impact the environment.

Enforcement	BSEE has demonstrated a willingness to use strong enforcement actions in response to environmental harms when warranted.
Conservation management	Environmental stewardship considerations are inherent in BSEE's conservation programs, which are geared towards preventing waste, maximizing resource recovery, and minimizing industry footprint.
Operational risk management	Management of offshore operational risk is a Bureau priority that cuts across many programs. Better understanding of operational risk equates to better understanding of environmental hazards; the barriers to prevent those hazards; risks of the loss of the barriers; and eliminating, reducing, mitigating, and responding to the hazards.
Environmental Compliance	BSEE applies a standardized, Bureau-wide approach to internal (applicable to BSEE actions/activities) and external (directed toward regulated industry) environmental compliance. This approach is led by the Program, which is composed of ECD and regional environmental compliance personnel, and ultimately implemented by bureau-wide adherence to environmental stewardship principles.

Interagency Collaboration Working Group

Interagency collaboration and coordination are critical factors in BSEE's efforts to promote and sustain good environmental stewardship as an integral part of the management of energy and mineral development on the federal OCS.

Many of BSEE's collaboration and coordination efforts are governed by formal agreements with partners (Memorandums of Understanding or Agreement). Therefore, the interagency coordination working group's goal for this report was to assess the health of current BSEE collaborative agreements with federal, state, and public partners that support environmental stewardship. The working group identified a sample set of agreements that represented diverse purposes and levels of engagement (Table 3). During the 90-day period, the working group reviewed and updated the list of all known interagency collaborations as previously compiled by the Interagency Liaisons Office; analyzed the MOUs/MOAs listed on the ABS Enterprise Risk Management Risk Assessment and Ranking project (which listed all known MOUs/MOAs in order based on the level of risk each presented to BSEE); collected subject matter expert input based on corporate knowledge specific to the level of implementation and function of existing agreements; and reviewed GAO/IG recommendations pertaining to interagency collaboration and those with direct impacts on BSEE's environmental mission.

Table 3: BSEE Collaborative Agreements Reviewed by Interagency Coordination Work Group

Collaborative Agreement	Purpose of Agreement
BOEM/BSEE/ONNR MOU (2014) - Collaboration on Processes Policies and Systems Relating to the Management of OCS Energy and Marine Mineral Development	To successfully collaborate on the processing and management of functions and systems relating to OCS energy and mineral development, support common standards and methods to achieve accountability and accurate reporting on such developments, and create and maintain efficient and effective working relationships.
BOEM/BSEE MOU (2011) - Managing OCS Operations	To manage certain activities on the OCS and to minimize

	duplication of effort, promote consistency in procedures and regulations, and resolve disputes.
BOEM/BSEE MOA (2011) - Environmental and NEPA	To synchronize the agencies' environmental review and environmental enforcement processes for authorizations required to conduct conventional energy and resource activities on the OCS.
DOI/EPA MOU (1984) - Coordination of NPDES Permit Issuance with the Outer Continental Shelf Oil and Gas Lease Program	To improve cooperation and coordination between EPA and DOI in oil and gas lease activities on the OCS to determine the terms and conditions of NPDEs permits and ensure NPDES compliance, combine related NEPA requirements where possible, coordinate studies and related regulatory responsibilities.
MMS GOMR/EPA Region 6 MOA (1989) - Coordinating the EPA NPDES Permit Compliance Program with the MMS Offshore Inspection Program	To implement Part VI of the MOU between DOI and EPA by addressing post-lease monitoring and inspection of oil and gas operations and enforcement of discharge requirements on the GOM Federal OCS.
MMS POCSR/EPA Region 9 MOA (1989) - Coordinating the EPA NPDES Permit Compliance Program with the MMS Offshore Inspection Program	To implement Part VI of the MOU between DOI and EPA by addressing post-lease monitoring and inspection of oil and gas operations and enforcement of discharge requirements on the Pacific Federal OCS.
MMS AOCSR/EPA Region 10 MOA (1993) - Coordinating the NPDES Permit Compliance Program with the MMS Inspection Program	To implement Part VI of the MOU between DOI and EPA by addressing post-lease monitoring and inspection of oil and gas operations and enforcement of discharge requirements on the Alaska Federal OCS.
DOI/DOT MOU (1996) - OCS Pipelines	To avoid duplication of regulatory efforts regarding OCS pipelines, assure coordination and consultation during the development and implementation of regulatory requirements, facilitate compatible regulatory requirements for all OCS pipelines, and promote safety on the OCS.
MMS POCSR/California Department of Fish and Game OSPR MOA (1995) – Oil Pollution Prevention and Response	To provide best achievable protection of California's natural resources by preventing, preparing for, and responding to spills of oil and other deleterious materials, and through restoring and enhancing affected resources.
MMS/Texas General Land Office MOA (1994)	To encourage cooperative efforts and promote consistent regulatory practices; Covers issues including oil spill prevention and response preparedness; inspections, training, and investigations (not limited to spill-related); technology assessments and research (operational safety and spill-related); and others.
MMS GOMR/Louisiana Oil Spill Coordinator's Office, Office of the Governor (1994) – Oil Spill Prevention and Response	To coordinate and implement consistent requirements with respect to oil spill prevention and response for facilities in offshore Louisiana State waters.
MMS AOCSR/Alaska Department of Environmental Conservation LOA (2005) – Pollution Prevention and Response Preparedness for Oil and Gas Facilities	To coordinate and implement requirements with respect to oil-spill prevention and response preparedness for offshore oil and gas facilities and pipelines on State of Alaska submerged lands and offshore areas.

Communications Working Group

The communications working group analyzed BSEE's environmental stewardship outreach and messaging efforts. The group reviewed the frequency and occurrence of BSEE's environmental stewardship-based messaging (both internal and external) and also identified existing relationships throughout the organization that could be used to better communicate BSEE's environmental stewardship role (Table 4). The extent of each stakeholder group's relationship with another group can vary from one that is fully-developed and regularly interactive to a relationship consisting of only sporadic exchanges of information.

Table 4: BSEE Relationships/Interaction – Opportunities for Communicating Messages

BSEE Relationships/Interaction – Opportunities for Communicating Messages				
Within DOI	Government-Interagency	Regional (in addition to those already noted)	External	Congressional
BOEM	US Coast Guard	Alaska	American Petroleum Institute	Members
Environmental Policy Office	Department of Energy	Alaska Native groups	National Ocean Industries Association	Member Staffers
US Fish and Wildlife Service	Department of Transportation (DOT)/Pipeline and Hazardous Materials Safety Administration	State of Alaska Alaska Oil and Gas Conservation Commission Division of Oil and Gas	Offshore Operators Committee	Committee Staffers
Scientific Coordination Committee	DOT/Bureau of Transportation Statistics	Federal Aviation Administration	OCS Advisory Board	Relevant Caucuses
Invasive Species Task Force	Environmental Protection Agency	Gulf of Mexico	Oceana	
Energy and Climate Change Task Force	National Oceanic and Atmospheric Administration/National Marine Fisheries Service	Marine Mammal Commission	Center for Biological Diversity	
Ocean Strategic Science	U.S. Army/Corps of Engineers	Gulf of Mexico Fisheries Management Council	Environmental Defense Fund	
Senior Ocean Policy Team	Interagency Coordinating Committee on Oil Pollution Research	Advisory Council on Historic Preservation	Public Employees for Environmental Responsibility	
		Gulf States Artificial Reef Coordination	Pew Charitable Trusts	
		Pacific		
		State of California		
		California Coastal Commission		
		State Lands Commission		
		Department of Oil, Gas and Geothermal Resources		

The full Core Group convened two additional meetings in April and May to discuss and analyze each of the working group's findings and to develop and provide guidance for potential group recommendations. The Core Group agreed that recommendations would:

- Be framed such that BSEE management and BSEE staff are both responsible and accountable for environmental stewardship;

- Be actionable within approximately 24 months (although they do not have to be completed within this time frame); and
- Include potential details, metrics, and suggestions for implementation.

The recommendations will be presented to the Management Council for consideration and implementation.

Key Findings

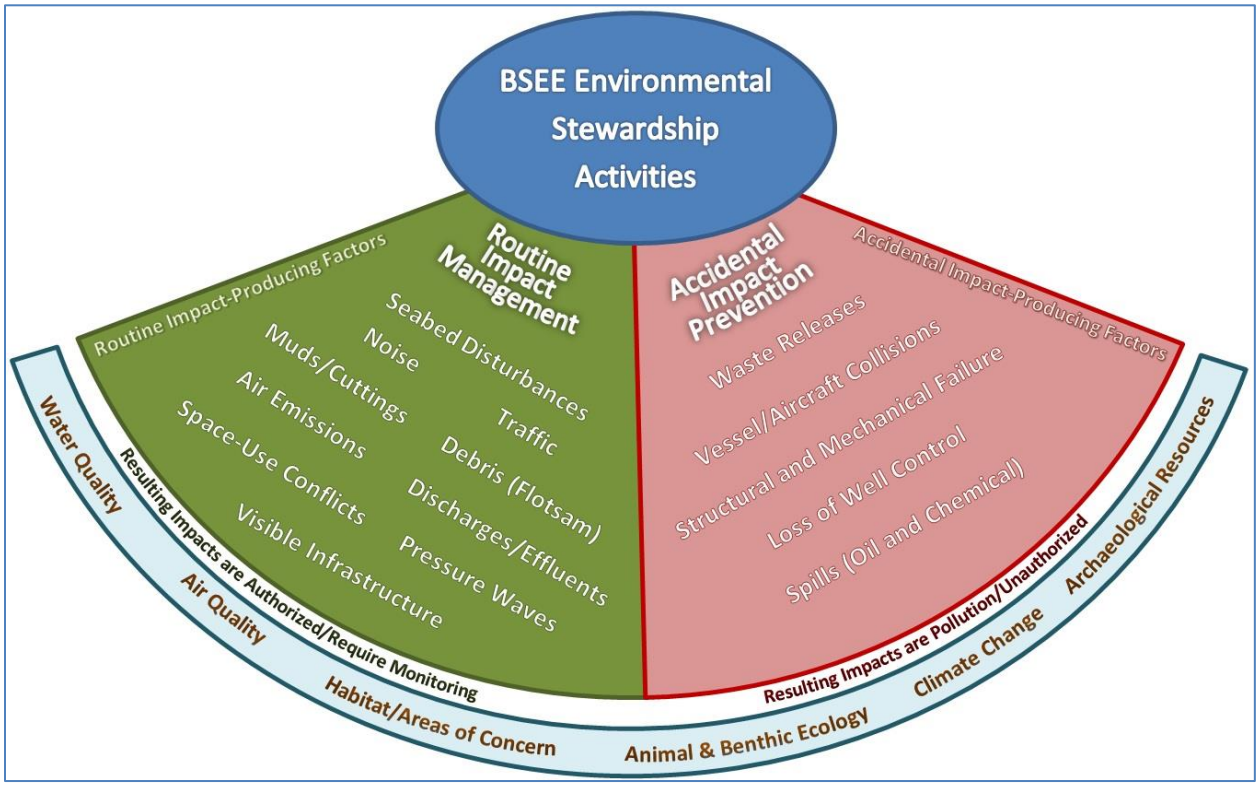
Environmental Stewardship in BSEE: Current State

BSEE's current environmental stewardship activities can be conceptualized as both:

1) Routine impact management; and
2) Accidental impact prevention and mitigation (Figure 2).

BSEE oversees "routine" or authorized environmental impacts of offshore operations primarily through its environmental compliance programs. BSEE works to ensure the prevention of (and oversee response to) accidental or unauthorized environmental impacts through myriad programs, including environmental compliance, oil spill preparedness, and other major regulatory programs.

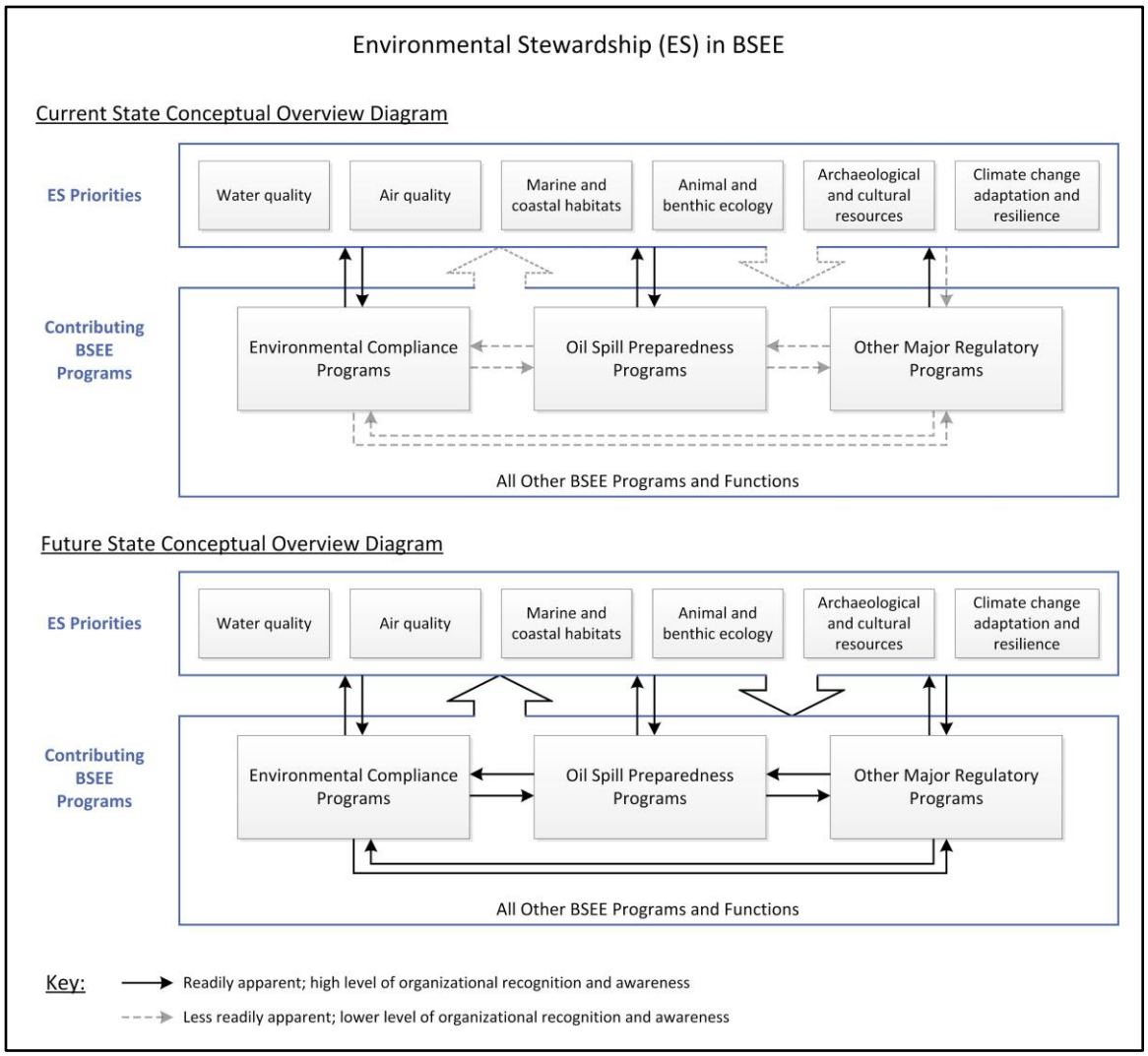
Figure 2: BSEE Environmental Stewardship Activities



All of BSEE's programs and functions are influenced by or contribute to environmental stewardship priorities. These priorities inform the objectives and activities of BSEE's environmental compliance

and oil spill preparedness programs, as well as other major regulatory programs such as inspections, investigations, and permitting (among many others). Conversely, BSEE's environmental compliance, oil spill preparedness, and other major regulatory programs contribute to environmental stewardship priorities, either directly or indirectly, via interaction with another contributing program.

Figure 3: Conceptual Overview Diagrams



One significant challenge at current state is that a program's relationship to environmental stewardship may not always be readily apparent to program staff or more broadly within BSEE. These relationships, however, are demonstrable and important. Figure 3 (above) provides a simplified visual depiction of this current state, with dashed lines depicting lower levels of awareness regarding relationship to environmental stewardship. These lines are darkened in the future state depiction, representing higher levels of awareness of contributions and role with respect to environmental stewardship.

Impacts of BSEE Program Postures on Industry Environmental Stewardship Culture

All of BSEE's programs collectively inform industry decision-making and efforts to reduce risk offshore and prevent safety and environmental incidents; however, BSEE may not always promote a consistent environmental stewardship message. At present, the characteristic impacts of BSEE programs on industry's environmental stewardship culture can be described as:

> **Key Findings At-a-Glance**
>
> All of BSEE's programs/functions are influenced by or contribute to environmental stewardship priorities.
>
> Programs' relationships to environmental stewardship are not always readily apparent to BSEE staff.
>
> BSEE may not always promote a consistent environmental stewardship message.

Segmented – Safety and environmental stewardship programmatic semblance may result in inconsistent messaging.
Tacit – Environmental stewardship support roles appear implied within overall organizational environmental stewardship responsibilities.
Executing – Implementation of national approach to safety and environmental stewardship is currently underway.
Uneven – Variability in data collection and availability reduces the reliability and value of existing information.
Exclusive – Isolation of data and information limits its value and potential to complement and increase usefulness of other information.
Muted – Environmental stewardship contributions may appear subdued.
Varied – Compliance and enforcement-related actions in response to safety and environmental incidents differs in District/Regional applications.

Status and Makeup of Interagency Collaborative Agreements

There is clear purpose across the reviewed interagency collaborative agreements, most of which are intended to help navigate the regulatory overlaps between agencies, minimize duplication of efforts, and utilize resources within partnering agencies to achieve the common goal of environmental protection, among other goals. Many of these agreements were established with the intention to support environmental stewardship activities that involve the analysis, monitoring, and enforcement of routine environmental impacts; the prevention of incidents that could result in environmental consequences; the response to incidents in order to minimize the environmental impact; as well as the overall management of all these activities. Because collaborative agreements are critical to environmental stewardship, the management of these agreements (including active engagement and accountability for fulfilling obligations of all parties and ensuring agreements reflect the parties' current responsibilities) is also critical. Details about additional strengths, benefits, etc. of these agreements can be found in Appendices D - G. Though the impetus for these collaborative agreements is clear, there were common weaknesses identified that currently impact or threaten the effectiveness of these collaborations.

Management of Collaborative Agreements

BSEE has multiple interagency coordination documents – which can include Memorandums of Understanding (MOUs), Memorandums of Agreement (MOAs), Memorandums of Collaboration (MOCs), Standard Operating Procedures, and policies – that directly and indirectly impact environmental stewardship. BSEE lacks systematic methods for managing these collaborative agreements. Specifically, there is no repository or centralized management system for BSEE's – or its predecessors' – collaboration agreements. As a result, it is difficult to identify and maintain all current collaborative agreements, ensure BSEE and partnering agencies/entities are meeting agreed-upon obligations, or ensure that Bureau management is aware of existing agreements and their overall impact on the Bureau's enterprise risk management.

Collaborative Agreements Require Updating

Several collaborative agreements dating back to the 1980s are still in effect today; however, major agency reorganizations and restructurings have occurred in the years since. As a result, most agreements require updated agency contact information to reflect new organization and assignment of responsible program officials (e.g., updating references to MMS to BSEE).

Key Findings At-A-Glance

There is no repository or centralized management system for BSEE collaboration agreements.

Additional Region-specific agreements require analysis.

Most agreements require updated agency contact information to reflect new organization and assignment of responsible program officials.

The list of offices operating under or managing BSEEs agreement obligations should be clearly identified.

Some interagency agreements have assigned responsibilities that have either become obsolete or were never fully operationalized.

Inconsistent Participation of Partnering Agencies or Entities

In order for collaborative agreements to effectively ensure environmental protection through sound stewardship, all identified partners must be actively engaged and must meet their assigned obligations. However, neither BSEE nor the partnering agencies are meeting their obligations in many of these agreements. Some interagency agreements have assigned responsibilities that have either become obsolete or were never fully operationalized. Also, in some cases assigned partnering agencies are not meeting their agreed-upon responsibilities, causing BSEE to assume potentially unacceptable risk. Some of these critical unmet obligations include participation on assigned teams or work groups, hosting regularly scheduled meetings (to monitor and communicate the performance of the collaboration and resolve issues), and training support.

Although environmental stewardship is included in BSEE's internal and external communications and messaging – including the 2015 annual report – it does not receive the same emphasis afforded to BSEE safety or safety culture messages. For example, of the 22 speeches posted on www.bsee.gov since October 1, 2011, the terms *safe* or *safety* appeared in seven of the speech titles. In contrast,

environmental stewardship did not appear as a topic in any of the speeches searched. Similarly, a review of the News Brief posted between October 2011 and February 2016 found that of the approximately 300 News Briefs and Press Releases issued, less than five percent focused on BSEE' environmental stewardship role.[2] In Bureau interactions with Congressional audiences, BSEE Congressional Affairs communications have not sufficiently showcased environmental stewardship as a function of BSEE. Instead, the focus tends to be placed on safety and productivity. Internally, BSEE has not adequately communicated the message that BSEE activities which promote safety also promote environmental stewardship, so it cannot be conveyed externally. While this information is not an exhaustive list of senior leadership speaking engagements, press releases, or other communication avenues, it does indicate that BSEE currently emphasizes safety at a greater rate than environmental stewardship.[3]

Key Findings At-A-Glance

Environmental stewardship messaging does not receive the same emphasis afforded to BSEE safety or safety culture messages.

[2] This information was calculated based on the word *environment* appearing in a headline or having briefs or releases with the term *environmental* as a major theme or focus.

[3] When considering communication trends, it is important to note that BSEE was established in response to the Deepwater Horizon tragedy (where 11 lives were lost and more than 60 were injured). The numerous investigations and reports issued in the aftermath of the event focused on improving the safety of offshore oil and gas activities. This focus resulted in safety-centered outreach and messaging.

Environmental Stewardship in BSEE: Future State

Our critical assessment of BSEE's environmental stewardship efforts shows that to improve the organization's future state, the organization must do a better job of communicating and incorporating environmental stewardship messaging as a part of the Bureau's everyday practices. When considering the optimum future state of environmental stewardship in BSEE, there was Core Group consensus that increasing BSEE employees' awareness and understanding of their contribution and role with regard to environmental stewardship will be the most crucial element in the effort to promote the Bureau's role in environmental stewardship.

Raise Organizational Awareness of Environmental Stewardship

In the future, not only will all BSEE employees and partner agencies (both at the headquarters and field level) fully understand BSEE's role in environmental stewardship, each BSEE employee will also recognize his/her role, contribution, and connection to environmental stewardship. The existence of an organization-wide understanding of these responsibilities helps ensure accountability for environmental stewardship responsibilities. BSEE members within major program offices will also have a clear understanding of the interactions between their program and the environmental compliance and pollution prevention programs. BSEE environmental experts and primary points of contact for environmental issues will be widely publicized internally and known among BSEE staff. BSEE partner agencies will also understand both the bureau's environmental stewardship role as well as the impact the agencies' relationship with BSEE has on environmental stewardship.

Increasing BSEE employees' awareness and understanding of their contribution and role with regard to environmental stewardship will be the most crucial element in the effort to promote the Bureau's role on environmental stewardship.

BSEE must also continue to recognize that the missions of safety and environmental stewardship are inextricably linked – many of the activities the Bureau carries out serve a dual purpose in protecting the offshore workforce and the environment. These dual missions are further entwined with BSEE's conservation mission.

Encourage Industry Environmental Stewardship Culture

A commitment to and awareness of environmental stewardship within BSEE will necessitate external environmental stewardship improvement. In the future, the emergence and industry embrace of new technology and processes that will change the landscape of the oil and gas industry will help mitigate environmental risk from OCS activities. Industry must increasingly embrace environmental stewardship and consistently strive to better understand and reduce environmental impacts. BSEE will be finely attuned to industry environmental stewardship activities and will be a lead agency and partner in environmental stewardship for offshore oil and gas operations. Promoting a consistent stewardship message will help the public understand how BSEE is responsibly managing the nation's resources and the commitment industry must make to operate on the OCS. In BSEE's future state, characteristic impacts of BSEE programs on environmental stewardship culture will evolve to become more effective and far-reaching, as summarized in Table 5.

> In the future, industry must increasingly embrace environmental stewardship and strive to better understand and reduce environmental impacts.

BSEE's Safety and Environmental Management System (SEMS) regulations require industry to promote safety and environmental protection. In its current form and implementation, the program focuses primarily on safety with some emphasis on environmental management. To make SEMS a more effective management system BSEE must increase the program's environmental focus. This change would align with BSEE's efforts to promote environmental stewardship, as well as the principles of clarity, consistency, predictability, and accountability outlined in the Bureau Strategic Plan.

Table 5: Evolution of Impacts of BSEE Program Postures on Environmental Stewardship Culture

From (Current State)	To (Future State)
Segmented	***Balanced*** – Awareness of direct and indirect environmental stewardship contribution and value across all BSEE program area promotes consistent messaging.
Tacit	***Explicit*** – BSEE exhibits an organization-wide heightened appreciation of the interwoven programmatic relationships of safety and environmental stewardship priorities and commensurate regulatory obligations.
Executing	***Integrated*** – BSEE's applied national approach to safety and environmental stewardship commitments increases transparency, consistency, predictability, and accountability.
Uneven	***Uniform*** – Uniform information collection and increased data reliability and availability inform decision-making.

Exclusive	***Inclusive*** – BSEE leverages and enhances value of data and information through information sharing and collaboration internally and externally.
Muted	***Clear*** – BSEE clearly conveys with all stakeholders the shared value of multi-media (e.g., water, air, marine life, etc.) environmental stewardship commitment.
Varied	***Consistent*** – BSEE implements a consistent national approach and response to safety and environmental incidents.

Attuned to Renewable Energy Sector Dynamics

The renewable energy sector is growing. BSEE is currently working to advance the Administration's energy strategy to further development of new, cleaner energy resources such as offshore wind. The Bureau has a vital role reviewing project plans, facility designs, and providing input on the technology used for the offshore renewable energy program. BSEE is also participating in a number of contracted studies covering all aspects of offshore wind operations.

In the future, BSEE will be plugged into renewable energy sector dynamics and prepared to adjust Bureau priorities and program activities as appropriate to properly manage associated environmental impacts. The regulatory and enforcement role for the BSEE renewable energy program will expand as projects reach their construction, installation, and operations phases. The Bureau will oversee the development of regulations, inspection guidelines, procedures, and criteria for inspections of offshore renewable energy facilities.

Foster Continuous Interagency Coordination

Interagency coordination is a continuous process and each of the agreements entered into are monitored, reviewed, updated, or revised as necessary based on interagency communications. Future interagency collaboration efforts will identify all existing agreements (current and historical) and new areas where agreements should be created; ensure all agreements and their subsequent documents are maintained in a records management system capable of storing various document types and allowing information access; identify all programs and managers responsible for implementation, monitoring and daily operations in support of each agreement; update all existing agreements to ensure they are current, provide accurate contact information and meet the needs of all agencies/entities entering into the agreement; terminate out-of-date agreements; and include standard language that addresses BSEE's safety mission while granting equal consideration to BSEE's role in environmental stewardship.

Summary of Recommendations

During the 90-day period, the Core Group was tasked with developing recommendations for BSEE to further institutionalize the environmental stewardship mission. The Core Group agreed that recommendations needed to be framed such that BSEE management and BSEE staff are both responsible and accountable for environmental stewardship. Recommendations should also be specific and actionable within approximately 24 months. While they do not have to be completed within this time frame, BSEE plans to implement several recommendations immediately. All recommendations will strengthen BSEE's commitment to environmental stewardship as a cross-Bureau mission that supports, and is supported by, the safety mission.

The Core Group developed the following 10 recommendations to help BSEE achieve its environmental stewardship mission. During discussions the Group considered how each recommendation related to ongoing BSEE projects (if applicable) and how it would advance environmental stewardship. For each recommendation, the group identified responsible parties, the need for additional resources (if applicable), deadlines, and provided potential suggestions for implementation and metrics. Members also identified the recommendations that should become BSEE's top priorities for implementation in FY16/FY17.

Table 6 provides a quick snap-shot of the recommendations, responsible parties, needs, timelines and metrics. More detailed description of each recommendation and implementation steps follows on page 24.

Table 6: Summary of BSEE Environmental Stewardship Collaboration Core Group Recommendations

Summary of BSEE Environmental Stewardship Collaboration Core Group Recommendations				
Recommendation	**Responsible Party**	**Additional Resources Needed**	**Dates/ Timeline**	**Implementation Steps and Components**
1) Adopt a Bureau-wide **definition of environmental stewardship.**	BSEE Director, Management Council, Environmental Compliance Division (ECD)		July 31, 2016 Initiate policy in FY17	• Approved definition to be used in all BSEE materials and efforts. • ECD develops environmental stewardship policy.
2) Use strategic, targeted tools and practices to **recognize and highlight environmental stewardship.**	*Performance measures: *TBD* *ICRs: *TBD* *Training: EC offices, OORP offshore training and OSPD, ECD *Research: *TBD*	**Training (funding and staff) – vehicle(s) need to be identified*	*TBD*	• Incorporate environmental stewardship into employee performance measures (e.g., EPAP, performance evaluations). • Incorporate environmental stewardship training into current and new courses for all employees. • Research how safety equipment requirements and engineering components contribute to environmental protection, prevention, and response. • Future TAP research contracts to include environmental protection requirements.
3) Ensure that BSEE's **environmental experts are integrated into program decision-making processes** (FY16).	*Coordination: senior leadership, senior managers, and regional directors *Surnaming: OORP		FY16	• National program managers identify coordination points with BSEE program environmental experts and document coordination procedures. • Incorporate ECD into surnaming for all regulations, standards, and NTLs.
4) Establish an **annual Environmental Stewardship Week** dedicated to environmental stewardship awareness	*Management Council establishes environmental stewardship planning committee *ECD develops training outline and contracts out	**Funding for travel, supplies, materials*	*Planning committee: FY16 *Environmental Stewardship week: FY17 Q1	• Conduct mandatory cross-bureau training (one to two hours/session). • Distribute daily environmental stewardship messaging during week. • Use the "train-the-trainer" approach.

and training for all BSEE employees.	materials			
5) Strengthen **measurement and reporting of environmental stewardship** activities.	*Develop metrics: OPAA and program offices *Electronic reporting: Senior leadership provides direction; National Program Manager Permitting over Permit QA program; OIT supports	**Funding for BI, TIMS*	*Metrics: TBD by Management Council; dependent on other recommendations *E-reporting: Permit QA program draft: FY16; other timing TBD with Data Stewardship Council	• Implement ICRs and other auditing tools. • Develop metrics to track environmental stewardship improvement, including: incorporating environmental stewardship into Business Intelligence Dashboard; and identifying PINCs with greatest environmental risk and tally quarterly. • Consistent and timely electronic reporting by BSEE and BOEM. • BSEE trains and provides IT support to BOEM and BSEE staff.
6) Develop a standard set of **environmental stewardship messages** to communicate BSEE's environmental stewardship mission and support outreach efforts by programs.	*Management Council focus group creates core messages *Programs provide content		*Management Council focus group: Jul/Aug 2016 *Message approval: Sep 1, 2016 *Fact statements: Sep 30, 2016 *Message maps finalized: Oct 1, 2016	• Use the message map technique. • Identify and create core messages. • Adapt message maps to targeted audiences.

7) Establish an internal working group representing all levels of the Bureau (regional and programmatic) to conduct a **comprehensive review of all collaboration agreements** to identify the agreements and assess the relationship	BSEE Director/Management Council establishes working group	**Funding for ABS ERM (existing vehicle)*	*3-6 mo.: Working group compiles and evaluates MOUs/MOAs
			*6-9 mo.: Work with BOEM to address findings
			*9 mo.+: Work with partner agencies to revise/update MOUs/MOAs
				• Develop standard MOU/MOA language to incorporate environmental stewardship.
				• Determine BSEE's and partners agencies' responsibilities, current status, follow-through on obligations, mutual benefit, and environmental stewardship relevancy.
				• *Suggested uses of MOU/MOA info:*
				  ○ *Include info in CARS*
				  ○ *Keep points of contact and roles/responsibilities current*
				  ○ *Analysis by Enterprise Risk*

related to environmental stewardship.				*Management project* ○ *Assign management chain of command for fulfilling MOU/MOA* ○ *Terminate outdated agreements* ○ *Develop MOU/MOA development and agreement protocol for BSEE*
8) Establish an internal working group for each of the following MOUs/MOAs to **revise/enhance existing agreements** (in the priority order below).	Following Recommendation 7, Director/ Management Council identify working group leads/champions		Following completion of Recommendation 7	• Update boilerplate language to equally emphasize environmental stewardship. • Priority MOUs/MOAs: ○ DOI/DOT ○ DOI/EPA (and Regional MOAs)* ○ BOEM/BSEE/ONRR and BOEM/BSEE ○ DOI/MMS (and Individual State Agreements) **Discussion will need to be accelerated due to existing agreement with EPA.*
9) Intergovernmental Affairs Manager should **initiate conversation with other agencies to determine their perspectives on environmental stewardship** and the interagency relationship.	Intergovernmental Affairs Manager		*Commence once Environmental Stewardship Policy in place *Completed in conjunction with 6-9 month mark for Recommendation 7.	• Determine how other agencies view environmental stewardship and their interagency collaboration with BSEE. • Information from interagency conversations informs working groups and MOU/MOA update process.
10) Establish an **Interagency Environmental Stewardship working group to strengthen relationships with other federal agencies** and promote BSEE's communication strategies.	Intergover**r**nmental Affairs Manager and ECD	**Funding for external workshop logistics*	*First meeting: FY17 Q4 *First National Workshop: early FY18 *Regional Workshops: FY18 Q2	• Intergover**r**nmental Affairs Manager and ECD propose an Interagency working group framework to the Management Council in March 2017.

1st Priority 2nd Priority

Detailed Summary of Environmental Stewardship Collaboration Core Group Recommendations

NOTE: 1) All deadlines/timelines listed below are based on Management Council approval.
2) All recommendations require clear measurement/evaluation components.

1. **Adopt a Bureau-wide definition of environmental stewardship**
   "Environmental stewardship is the responsibility of all BSEE employees to carry out to the highest standards all duties that contribute, directly or indirectly, to the management, protection, and care of the coastal, marine and human environments."

   - Management Council should approve the definition by July 31, 2016.
   - The approved definition should be used in all applicable efforts forward.
     - Distribute message from Director to BSEE employees informing of the environmental stewardship definition.
     - Update messaging materials/website to reflect adoption of environmental stewardship definition.
   - Develop an Environmental Stewardship policy – ECD, initiate FY17

2. **Use strategic, targeted tools and practices to recognize and highlight environmental stewardship**
   - Develop individual performance measures that incorporate environmental stewardship for employees, particularly senior leadership (e.g., EPAP, performance evaluations).
   - Incorporate Environmental Stewardship training into current and new courses for employees at all levels
     - Review current required training for employees, assess and align depth of training with position requirements.
     - Develop two levels of courses and make training mandatory for employees as determined by position.
       - General training for all employees; specialized training for various positions (e.g. engineers, inspectors, etc.).
     - Task EC offices, OORP offshore training branch, and OSPD to develop and implement training materials/courses.
     - ECD should work with offshore training to develop competent environmental stewardship training module.
   - Research
     - Continue to identify the degree to which safety equipment requirement and engineering components contribute to environmental protection, prevention and response efforts.
       - Identify lessons learned, identify gaps in current programs, and incorporate into training modules.

        - Provide risk assessment and research results to BOEM to improve and enhance NEPA analysis and ESA consultations on behalf of OCS programs.
    - Develop standard language for statements of work in future research contracts under TAP to include requirements to evaluate environmental protection-related criteria.

3. **Ensure BSEE's environmental experts are integrated into program decision-making processes (FY16).**
    - Require that national program managers identify points in program business processes at which coordination is needed with BSEE environmental experts and document coordination procedures.
    - OORP should ensure that ECD is incorporated into surnaming for all regulations, standards and NTLs.

4. **Establish an annual Environmental Stewardship week dedicated to environmental stewardship awareness and training for all BSEE employees.**
    - Mandatory cross-bureau training will be conducted during this week in all regions and headquarters. Course will be offered throughout the week (one to two hours per session) to ensure 100% participation.
    - Daily environmental stewardship messages will be provided throughout this week from various BSEE branches.
    - Management Council will establish annually an environmental stewardship planning committee for the week's events that will link to the Strategic Plan and FY strategic priorities.
    - ECD (with Offshore Training Branch and SMEs to be identified) will develop an outline for the training for development of the curriculum and materials.
    - Use "train-the-trainer" method. This technique spreads messaging throughout the Bureau and will build upon collegial relationships.
    - The first planning committee should be established and planning should occur in FY16. The first Environmental Stewardship week should occur by FY17 Q1.

5. **Strengthen measurement and reporting of environmental stewardship activities.**
    - Implement the use of internal control reviews (ICRs) or other auditing tools to monitor knowledge, skills and abilities with respect to environmental stewardship.
    - *Develop metrics*
        - Develop metrics to help BSEE measure environmental stewardship improvement.
            - Develop programmatic performance measures that incorporate environmental stewardship.
            - Incorporate environmental stewardship measures into Business Intelligence Dashboard that is currently under development.
            - Based on on-going efforts to identify safety issues that implicate environmental issues, identify current PINCs with the greatest environmental risk and count quarterly.
        - Ensure consistent and timely use of electronic reporting

- Ensure consistent and timely use of electronic systems for environmental information in all regions by BSEE and BOEM (e.g., ePermits, TIMS, NCIS, eInspections, eWell, ePlans).
    - Direction comes from BOEM and BSEE senior directorate to consistently use electronic systems.
    - BSEE should provide training and technical support, including IT coordination, to BOEM and BSEE staff, as needed (e.g. for TIMS, NCIS, eWell, etc.).
    - Permit quality assurance program should include measures to consistently use electronic systems. Draft in place by end of FY16.
    - A lead needs to be identified to coordinate the use of BSEE and BOEM eSystems and coordinate with BSEE Chief Data Steward.

Timing to be developed in coordination with Data Stewardship Council and Management Council and is dependent on other recommendations occurring first.

6. **Develop a standard set of environmental stewardship messages to communicate BSEE's environmental stewardship mission and support outreach efforts by programs.**
    - Use the message map technique, including core messages and fact statements.
    - Management Council, with a focus group organized by Public Affairs, will identify and create the core messages.
    - All Bureau programs will provide applicable content for the fact statements that support the messaging.
    - The message map will be adapted by all programs for outreach with their various audiences. For example, Congressional Affairs staff would use message maps to develop presentation materials that succinctly and visually communicate how BSEE meets its stewardship mission.

    Timeline for Implementation/Development
        - Hold Management Council focus group in July-August 2016
        - Management Council approves messages by September 1, 2016
        - Prepare supporting fact statements by September 30, 2016
        - Message maps, including over-arching messages and fact statements will be available for use by October 1, 2016

7. **Establish an internal working group representing all levels of the Bureau (regional and programmatic) to conduct a comprehensive review of all collaboration agreements to identify the agreements and assess the relationship related to environmental stewardship.**
    - The Director or Management Council should establish the time-limited (nine month) workgroup.
    - Develop standard MOU/MOA language to incorporate equal emphasis on environmental stewardship as well as safety.
    - During the review, the working group should determine the following:
        - Specific to BSEE:

    - What responsibilities did BSEE or a predecessor agree to?
    - What is the status of our responsibilities specific to each agreement?
    - Is there mutual benefit in the agreement?
    - Does the agreement directly impact an environmental resource?
- Specific to the partner agency:
    - What responsibilities did the other agency agree to?
    - Is there consistent commitment from the other agency?
    - Have they upheld their obligation(s)?
- Information use, for example:
    - Identify all agreements and maintain copies of the agreement and all pertinent documents (e.g., meeting minutes, SOPs, policy and other reports) in a records management system (e.g., CARS) capable of allowing all BSEE employees to query and use this information.
    - Determine interagency partners with current points of contact and roles/responsibilities.
    - Feed all information into the ongoing Enterprise Risk Management project for analysis.
    - Identify agreed-upon responsibilities and assign a position-specific management chain of command responsible for ensuring the fulfillment of the agreement.
    - Allow BSEE to terminate out-of-date agreements as necessary.
    - Outline an agreement development and management protocol (monitoring, reporting internally and externally) for use Bureau-wide.

Timeline for Implementation/Development

- BSEE Internal Workgroup Compile and Evaluate 3-6 months
- Initiate with BOEM to review and address findings 6-9 months
    - BSEE Director should ask BOEM Director to conduct the same exercise.
- Initiate with Partner Agencies to revise/update 9 months

8. Establish an internal working group for each of the following MOUs/MOAs to revise/enhance existing agreements (in the priority order below).

- Following completion of Recommendation 7, the Director or Management Council should identify workgroup leads/champions.
- Update existing standard, boilerplate language in MOUs/MOAs to place equal emphasis on safety and environmental stewardship.
  Timeline for Implementation/Development
    - Initiate the revision/updates related to the prioritized MOUs/MOAs at the 9-month mark in conjunction with the initiation timeline associated with Recommendation 7.
- Efforts should focus on the following MOUs/MOAs in the following priority order:

- DOI/DOT MOU
- DOI/EPA MOU[4] (and Regional MOAs)
- BOEM/BSEE/ONRR MOU and BOEM/BSEE MOU
- DOI/MMS (and Individual State Agreements)

9. **Intergovernmental Affairs Manager should initiate conversation with other agencies to determine their perspectives on environmental stewardship and the interagency relationship.**
    - Introduce BSEE's role in environmental stewardship and vision moving forward and determine how other agencies view environmental stewardship and their interagency collaboration with BSEE.
    - This information should be used to inform the working groups and establishment of the workgroup in Recommendation 10 updating the MOUs/MOAs listed in Recommendation 8.

    Timeline for Implementation/Development
    - Commence once Environmental Stewardship Policy is in place.
    - To be completed in conjunction with the 6-9 month mark of Recommendation 7.

10. **Establish an Interagency Environmental Stewardship working group to strengthen relationships with other federal agencies and promote BSEE's communication strategies.**
    - The Intergover**r**nmental Affairs Manager and ECD will propose an interagency workgroup framework to the Management Council in March 2017, including identifying membership and objectives.

    Timeline for Implementation/Development
    - First workgroup meeting in FY17 Q4.
    - First national external workshop in early FY18 (include regional involvement)
    - Regional workgroups starting in FY18 Q2.
    - *Note: internal communications incorporated into and covered by Recommendation 9*

Issues for Further Discussion

During discussions, the Core Group identified several issues that, while not meeting the criteria to become recommendations, were still worthy of further discussion and consideration for BSEE senior leadership. They are as follows:

Assess current perspectives on environmental stewardship

- Explore mechanisms to assess perspectives on environmental stewardship including
    - Establishing a baseline from which to measure environmental stewardship awareness, incorporate current environmental stewardship perspective questions into existing surveys.

[4] Discussion will need to be accelerated due to an agreement already in place with EPA.

    - Inserting environmental awareness questions in existing surveys.
- Explore changes to the Safety Culture Policy to include changing the name the Safety and Environmental Stewardship Culture Policy and adding the definition of environmental stewardship.
- Seriously consider whether new regulations (e.g., revisions to Subpart B regulations Part 250 and 550) and PINCS specifically for environmental stewardship would be appropriate.

Conclusion

In its 2015 annual report, BSEE emphasized its expanding role as a world leader in safety and environmental stewardship. In 2016 and beyond, BSEE is committed to enhancing environmental stewardship as a cross-Bureau mission that supports, and is supported by, the safety mission. The Director-led Environmental Stewardship Collaboration Core Group is an integral component to bolstering BSEE's environmental stewardship role. The Core Group's recommendations and suggested actions will help BSEE foster a culture of environmental stewardship and promote collaboration with BOEM and other entities to further this mission. All recommendations are designed to strengthen BSEE's commitment to environmental stewardship.

Based on the Group's findings, every decision and every action should be taken with environmental stewardship in mind. As such, BSEE's core functions should promote environmental stewardship through integrated prevention, compliance, and preparedness activities. A strong culture of environmental stewardship should extend across the entire organization, throughout every program and to each employee. Increasing BSEE employees' awareness and understanding through effective communication will be one of the most crucial elements in the effort to promote the Bureau's role in environmental stewardship. Reviewing and improving BSEE's interagency collaboration and coordination is also a critical factor in the Bureau's initiative to promote and sustain environmental stewardship with partners and other entities.

A common concern at the conclusion of any working group is that the months of research, discussion, and preparation will experience an initial wave of enthusiasm that wanes as other events and projects take precedence. BSEE recognizes these challenges and is committed to having leadership make the necessary investments – in time, resources, and infrastructure – to see the Core Group's recommendations come to fruition, without putting other BSEE programs and initiatives at a disadvantage. These investments are noted in the Core Group's list of recommendations.

Moving forward, this report and its recommendations will become an important tool to help BSEE promote environmental stewardship through its broad suite of integrated prevention, compliance, research, educational, and preparedness activities.

Appendix A: Environmental Stewardship Collaboration Core Group Members

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Appendix B: Sample Message Map and Template

Message Map Stakeholder: General Public Question or Concern: How does BSEE meet its mission of Environmental Stewardship?		
Key Message 1	**Key Message 2**	**Key Message 3**
Supporting Fact 1-1	**Supporting Fact 2-1**	**Supporting Fact 3-1**
Supporting Fact 1-2	**Supporting Fact 2-2**	**Supporting Fact 3-2**
Supporting Fact 1-3	**Supporting Fact 2-3**	**Supporting Fact 3-3**

Sample Message Map

Draft Message Map Stakeholder: General Public Question: How contagious is smallpox?		
Key Message 1	**Key Message 2**	**Key Message 3**
Smallpox spreads slowly compared to measles or the flu	**This allows time for us to trace contacts and vaccinate those people who have come in contact.**	**Vaccination within 3 to 4 days of contact will generally prevent the disease**
Supporting Fact 1-1	**Supporting Fact 2-1**	**Supporting Fact 3-1**
People are only infectious when the rash appears and they are ill	The incubation period for the disease is 10-14 days	People who have never been vaccinated are the most important ones to vaccinate
Supporting Fact 1-2	**Supporting Fact 2-2**	**Supporting Fact 3-2**
It requires hours of face-to-face contact	Resources for finding people are available.	Adults who were vaccinated as children may still have some immunity to smallpox
Supporting Fact 1-3	**Supporting Fact 2-3**	**Supporting Fact 3-3**
There are no asymptomatic carriers	Finding people who have been exposed and vaccinating them is the successful approach	Adequate vaccine is on-hand and the supply is increasing

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BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT

ENVIRONMENTAL STEWARDSHIP COLLABORATION WORK GROUP

Environmental Stewardship as an Essential Element of All Bureau Programs/Functions

Environmental Stewardship Sub-Group

March 2016

1. Introduction

The Bureau of Safety and Environmental Enforcement (BSEE) was established by means of the reorganization of the Minerals Management Service (MMS)/Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) on October 1, 2011, in accordance with the Department of the Interior (DOI) Secretarial Order No. 3299. Compliant with the order and other departmental guidance, BSEE is responsible for safety and environmental oversight of Outer Continental Shelf (OCS) energy and marine mineral operations through functions that include the development and enforcement of safety and environmental regulations, permitting offshore exploration, development, and production activities, inspections, offshore regulatory programs, oil spill response, training, and environmental compliance programs. Several programs were carried over from the previous organizations that allow BSEE to meet its responsibilities with most receiving increased funding and staffing. Additionally, two new programs were developed to address BSEE's environmental compliance and spill/pollution prevention roles. The Environmental Compliance Program (ECP)[5] is responsible for monitoring, verifying, improving, and enforcing industry's compliance with environmental standards during OCS operations and overseeing BSEE's compliance with National Environmental Policy Act (NEPA) and all other applicable environmental laws and regulations. The Oil Spill Preparedness Division (OSPD)[6] is responsible for carrying out several BSEE "pollution prevention" authorities related to oil spill research, planning, preparedness, and response.

The agency has been actively and effectively carrying out its OCS safety and environmental oversight responsibilities since the 2011 reorganization; however, a great deal more attention (both internal and external) has been placed on BSEE's safety role. As such, much of the external assessment of BSEE's effectiveness fails to account for the ways in which the agency holistically manages **Environmental Stewardship**. Environmental Stewardship (ES) is the larger, overarching environmental compliance and pollution prevention effort carried out, not only by ECP and OSPD, but also every other program within BSEE. To better "integrate and communicate" BSEE's environmental stewardship efforts, Director Brian Salerno made the focus on stewardship a key, FY2016 Priority and began working on the establishment of an Environmental Stewardship Collaboration Group (ESCG). In January 2016, the Director outlined his directive and invited participation in the work group through memorandum to all BSEE Program Managers and the Bureau of Ocean Energy Management (BOEM) Director, Abigail Hopper; considering BOEM's unique role in assisting with BSEE's environmental oversight. The memo and enclosed outline defined the purpose of the effort, team roles, meeting schedule, and the charge to the participants to work on recommendations and actions regarding three primary objectives:

(1) BSEE's environmental stewardship responsibilities;

(2) Coordination efforts with agency partners on environmental stewardship; and

(3) Tracking and communicating BSEE's environmental stewardship successes.

Representatives from most of BSEE programs and BOEM's Office of Environmental Programs were notified of their participation on the ESCG in early February and the first, facilitated meeting took place at the Main Interior Building, Washington, D.C., on the 9th and 10th of February. Chaired by the Director, the participants were apprised of the group's charge, discussed the need for the effort, updated on ongoing pollution prevention and environmental compliance efforts, and then broken into three sub-groups to better accommodate workload, with the three sub-groups centering on the aforementioned objectives. The **Environmental Stewardship Sub-Group** that prepared this report was charged with 1)

[5] The ECP was originally the Environmental Enforcement Division (EED) with its subgroups/personnel collocated in the three regional offices. The National and Regional components of the current ECP are detailed under Section 2.2.1.

[6] The OSPD was originally named the Oil Spill Response Division (OSRD).

capturing the "current state" of environmental stewardship in BSEE (strengths, weaknesses, gaps, etc.), 2) outlining the potential framework for the "future state" (proposed operational improvements/changes), and 3) defining the implementation needs moving forward (possible metrics, training, performance standards). The following sections provide a summary of the Environmental Stewardship Sub-Group's coordination efforts and discussions regarding the three components.

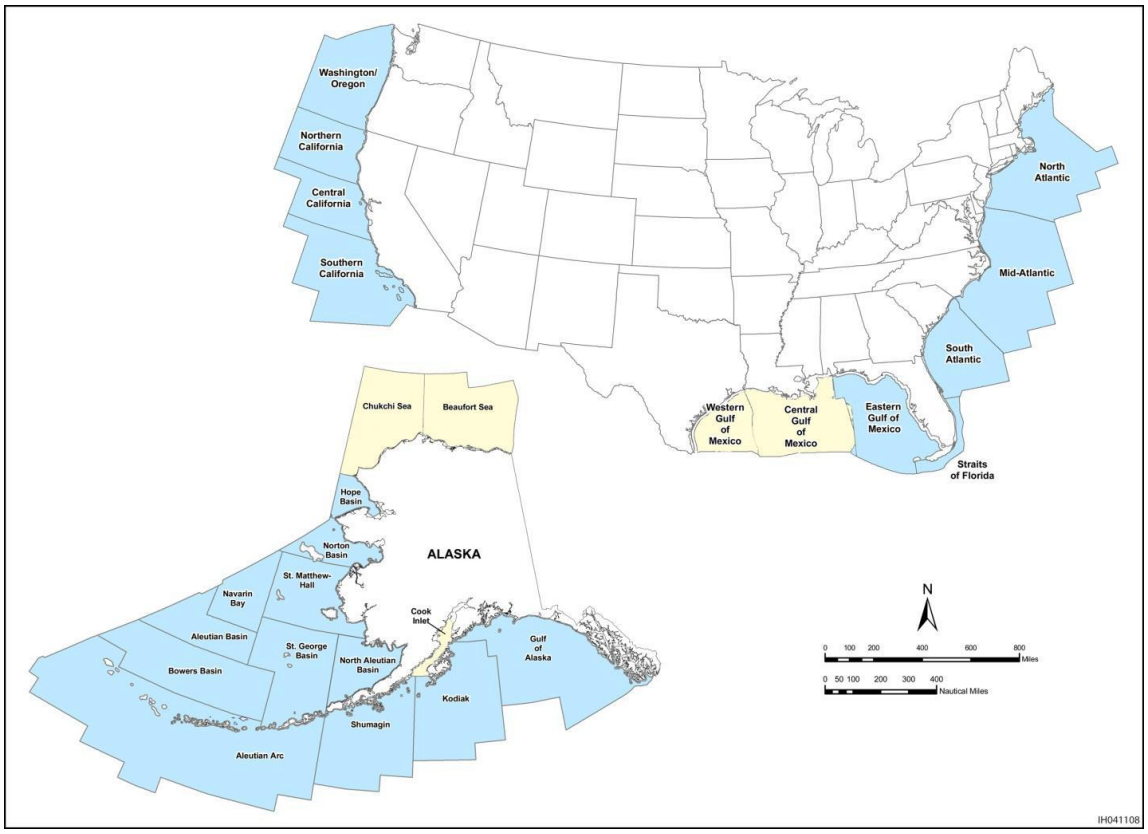
2. BSEE Environmental Stewardship – Current State

2.1. BSEE's Commitment to the Environment

2.1.1. Environmental Stewardship Priorities

Under the current, 2012-2017 OCS Program, BSEE oversees oil and gas operations in the Southern California Planning Area of the Pacific OCS Region (POCSR), the Beaufort Sea, Chukchi Sea, and Cook Inlet Planning Areas of the Alaska OCS Region (AKOCSR), and the Western, Central, and Eastern Planning Areas of the Gulf of Mexico OCS Region (GOMR). Additionally, BSEE assists BOEM with environmental compliance for renewable energy and marine mineral operations all along the Atlantic, Pacific, and Gulf coasts.

Figure 2.1. Outer Continental Shelf (OCS) Planning Areas; The Planning Areas in Yellow are Included in the 2012-2017 OCS Oil and Gas Leasing Program (DOI, BOEM, 2012).



The multiple marine basins and associated ecosystems present BSEE with a wide array of environmental resources, species, communities, and habitats that require varied environmental protections. Additionally, the OCS activities under BSEE's purview have the potential to impact marine and coastal waters and localized/regional air quality. As such, BSEE's environmental stewardship efforts are required to consider all of the areas, resources, and habitats on the OCS. Based on programmatic NEPA analyses prepared by BOEM on behalf of the entire, National OCS program and its accompanying public

involvement/commenting and interagency coordination, BSEE developed a list of Environmental Stewardship Priorities (see Table 1.1.) to allow for focused discussions under this collaboration effort and way of marking improvement moving forward.

Table 2.1 BSEE Environmental Stewardship Priorities

Stewardship Priority	Description/Examples	Major Associated Laws/Regulations/Orders
Climate Change Considerations	Consideration of effects in OCS planning areas focus on impacts on marine and coastal systems where environmental sensitivities are typically associated with increasing atmospheric and ocean temperatures, but they can also be categorized as responses to sea level rise, coastal erosion, and ocean acidification	Executive Order 13653
Water Quality	Marine and Coastal waters on which OCS operations are conducted and into which effluents are discharged	Clean Water Act (CWA)
Air Quality	Includes meteorology and various atmospheric conditions susceptible to emissions from OCS operations	Clean Air Act (CAA)
Marine/Coastal Habitats and Areas of Special Concern	• Topographic Features/Potentially-Significant Biological Features • National Marine Sanctuaries • Pinnacles and Live Bottoms • Wetlands and Barrier Islands	Marine Protection, Research, and Sanctuaries Act (MPRSA) Executive Order 11990
Animal Ecology	• Marine Mammals • Terrestrial Mammals • Marine/Coastal Birds • Reptiles (Sea Turtles, Tortoises) • Fish/Artificial Reefs • Commercial/Recreational	Endangered Species Act (ESA) Marine Mammal Protection Act (MMPA)
Benthic/Invertebrate Ecology	• Corals • Chemosynthetic Organisms • Mollusks • Crustaceans • Chordates • Echinoderms	Executive Order 13089
Archaeological/Cultural Resources	• Shipwrecks • Submerged/Buried Prehistoric Sites • Onshore Prehistoric/Historic Resources and Sites	National Historic Preservation Act (NHPA) Archeological & Historic Preservation Act (AHPA)

The environmental stewardship priorities are directly addressed in multiple, tiered layers of programmatic and site-specific NEPA analyses and their protection is considered in the stipulations developed for associated lease sales, promulgated in regulations, imposed as conditions of plan/permit approval, and provided as guidance outlined in both BOEM and BSEE Notices to Lessees and Operators (NTLs). The agency's compliance with NEPA requirements and the subsequent compliance verification efforts related to the various environmental standards discussed above are directly addressed by the Environmental Compliance Program (detailed in Section 2.2.1.). However, many of the priorities are also provided additional protection through the pollution prevention efforts carried out by other BSEE programs. These "indirect," preventative efforts also factor heavily into the bureau's environmental stewardship role.

2.1.2. Offshore Industry Impacts to the Environment

2.1.2.1. "Authorized" OCS Environmental Impacts

All of the activities carried out by the offshore oil and gas industry on the OCS lead to environmental impacts; however, not all impacts have the same severity or intensity and not all impacts are unauthorized or lead to pollution. The likelihood and magnitude of an impact is generally gauged by an activity's **impact-producing factor** (IPF) or factors in consideration with certain environmental conditions, timing, frequency, etc. Depending upon the project details, its IPFs, the area of the proposed activities, and proximal resources, review under a site-specific NEPA analysis could conclude that the operation may only lead to minor or negligible impacts; allowing the activity to be approved by BSEE with certain conditions/mitigation to help ensure that the impacts remain minimal and provide for subsequent reporting and verification efforts. These types of "authorized" environmental impacts occur during all of BSEE's and BOEM's permitted OCS activities.

In most cases, OCS development is conducted under a four-phase process, beginning with 1) exploration to locate viable deposits, 2) development of the production well and support infrastructure, 3) operations (production), and (4) decommissioning of the infrastructure at lease expiration or when operations are no longer productive. The activities generally conducted under each of the phases consist of "typical" or routine IPFs that have been identified and assessed through prior NEPA analyses (see Table 2.2.).

Table 2.2. Routine Impact-Producing Factors Associated with OCS Development (from DOI, BOEM, 2012)

Routine Impact-Producing Factor	**Development Phase**				
	Exploration				
	Geological & Geophysical Survey	Exploration Drilling	Development	Operation/	Decommissioning
Noise	✓	✓	✓	✓	✓
• Seismic Noise • Ship Noise • Aircraft Noise • Drilling Noise • Trenching Noise • Production Noise • Platform	✓	✓	✓	✓	✓
Traffic	✓	✓	✓	✓	✓
• Aircraft Traffic • Ship/Vessel Traffic	✓	✓	✓	✓	✓
Drilling Mud/Cuttings	✓	✓	✓		
Debris (Flotsam)	✓	✓	✓	✓	✓
Seabed Disturbances	✓	✓	✓	✓	✓
• Coring/Drilling	✓	✓	✓	✓	✓
• Pipeline Trenching (<200ft)					
• Pipeline Placement (>200ft)			✓		
• Vessel Mooring/Anchoring					
• Jack-up Deployment/Stacking			✓		
• Subsea Device Deployment					
Air Emissions	✓	✓	✓	✓	✓
• Equipment Emissions	✓	✓	✓	✓	✓
• Venting/Flaring					
• Fugitives		✓	✓	✓	
Discharges/Effluents	✓	✓	✓	✓	✓
• Production Discharges		✓	✓	✓	
• Ship/Vessel Discharges					
• Sanitary/Domestic Wastes	✓	✓	✓	✓	✓
Pressure Waves/Explosives	✓	✓	✓	✓	✓
• Seismic Surveys	✓	✓	✓	✓	✓
• Severance Charges					
Lighting	✓	✓	✓	✓	✓
Space-Use Conflicts	✓	✓	✓	✓	✓
• Offshore Facilities/Activities	✓	✓	✓	✓	✓
• Decommissioned Pipelines					
Visible Infrastructure	✓	✓	✓	✓	✓

As noted above, the routine IPFs that occur throughout the OCS development phases lead to various environmental impacts that are monitored by ECP to ensure that their effects remain minor/negligible.[7] Similarly, when activities are concluded, ECP conducts verification reviews/inspections to determine if associated conditions/mitigation were complied with by the operator/contractors. The resultant compliance information is shared with BOEM to help promote additional research under their Environmental Studies Program (ESP) and for adaptive implementation into their Environmental Assessment Program (EAP) to continually improve NEPA analyses. The resultant BOEM studies and analyses help outline how the IPFs lead to specific impacts to OCS resources, species, and habitats and how BSEE can better permit the actions, monitor the operations, and ensure better compliance. To help with BSEE's stewardship initiative, the recent study/analysis information has been summarized into the table below to note the typical OCS IPFs could impact the identified Environmental Stewardship Priorities (see Table 2.3.). The table includes the associated section in the most recent National Program EIS that provides additional details on the impacts on the various resources under each priority.

Table 2.3. Routine Impact-Producing Factors and Potential Impacts on Stewardship Priorities

Routine Impact-Producing Factor	**Environmental Stewardship Priority** (Referenced National Program EIS Analysis Section; (DOI, BOEM, 2012))					
	Water Quality	**Air Quality**	**Habitat/Areas of Concern**	**Animal Ecology** (Sections 4.4.7.1	**Benthic Ecology** (Section 4.4.7.5)	**Archaeological Resources**
Noise	None	None	None	Multiple Impacts	Possible Impacts	None
Traffic	Multiple Impacts	None	Multiple Impacts	Multiple Impacts	Multiple Impacts	None
Drilling Mud/Cuttings	Multiple Impacts	None	Multiple Impacts	Multiple Impacts	Multiple Impacts	Possible Impacts
Debris (Flotsam)	Possible Impacts	None	Multiple Impacts	Multiple Impacts	Multiple Impacts	Possible Impacts
Seabed Disturbances	Multiple Impacts	None	Multiple Impacts	Multiple Impacts	Multiple Impacts	Multiple Impacts
Air Emissions	None	Multiple Impacts	Possible Impacts	Multiple Impacts	None	None
Discharges/Effluents	Multiple Impacts	Possible Impacts	Multiple Impacts	Multiple Impacts	Multiple Impacts	Possible Impacts
Pressure Waves/Explosives	None	None	Possible Impacts	Multiple Impacts	Multiple Impacts	None
Lighting	None	None	Multiple Impacts	Multiple Impacts	None	None
Space-Use Conflicts	Space-Use Conflicts primarily impact other users of the Federal OCS such as Commercial and Recreational Fisheries, Military Operations, the Transportation Industry, Marine Mineral Activities (for Shoreline Replenishment), and even other BSEE/BOEM permitted OCS Activities.					
Visible Infrastructure	None	None	Possible Impacts	Multiple Impacts	None	Possible Impacts

2.1.2.2. "Unauthorized" OCS Environmental Impacts

Programmatic NEPA analyses also consider another series of IPFs that are not typical and are generally caused by accidental events and/or deliberate actions. These IPFs lead to "Unauthorized" impacts on

[7] NEPA analyses are conducted to determine if the proposed action will have a "significant" impact on the environment and what alternatives and/or mitigation may be required to negate such an impact. Pending adequate mitigation and adherence to regulatory requirements, nearly all OCS activities can be carried out without leading to "significant" impacts; with any minor/negligible effects resolving fairly quickly.

OCS resources, species, and habitats and are most often called "Pollution." Because most pollution events are often far greater in intensity than typical IPFs/"authorized" impacts, their effects can be significant; though generally localized to the area of the event. Similar to typical IFPs, accidental/intentional IPFs and their resultant pollution events can occur during each of the four OCS development phases (see Table 2.4.).

Table 2.4. Accidental/Intentional Impact-Producing Factors that Could be Associated with OCS Development (Adapted from DOI, BOEM, 2012)

Accidental/Intentional Impact-Producing Factor	**Development Phase**				
	Exploration				
	Geological & Geophysical Survey	Exploration Drilling	Development	Operation/	Decommissioning
Waste Releases	✓	✓	✓	✓	✓
• Solid Wastes	✓	✓	✓	✓	✓
• Sanitary Wastes					
• Production Wastes	✓	✓	✓	✓	✓
Vessel/Aircraft Collisions	✓	✓	✓	✓	✓
• Aircraft Strikes (Birds)	✓	✓	✓	✓	✓
• Ship/Vessel Strikes					
• Platform Collision	✓	✓	✓	✓	✓
Loss of Well Control		✓	✓	✓	
Spills (Oil and Chemical)	✓	✓	✓	✓	✓
• Well Spills		✓	✓	✓	✓
• Pipeline Spills					
• Chemical Spills			✓	✓	✓
• MODU/Vessel Spills					

Unlike routine IPFs/anticipated environmental impacts, accidental IPFs and subsequent pollution events (see Table 2.5) are not authorized or scheduled and therefore, do not lend to the same type of mitigation or impact monitoring/compliance verification carried out by ECP. To manage accidental IPFs/pollution, BSEE Environmental Stewardship entails Pollution Prevention efforts through direct and indirect oversight. Direct oversight is managed through spill preparedness and response research overseen by the OSPD to better prepare OCS operators and contractors just in case an accidental event/spill occurs. Indirect, and often, preventative oversight is carried out by Regional and District permitting and inspection programs; considering that if activities are effectively permitted/conditioned and the resultant equipment is operating properly, there is less of a chance that an accidental IPF will happen and pollution can be prevented.

Table 2.5. Accidental/Intentional Impact-Producing Factors and Potential Pollution/Impacts on Stewardship Priorities

Accidental/Intentional Impact-Producing Factor	**Environmental Stewardship Priority** (Referenced National Program EIS Analysis Section; (DOI, BOEM, 2012))					
	Water Quality	**Air Quality**	**Habitat/Areas of Concern**	**Animal Ecology** (Sections 4.4.7.1	**Benthic Ecology** (Section 4.4.7.5)	**Archaeological Resources**
Waste Releases	Multiple Impacts	Possible Impacts	Multiple Impacts	Multiple Impacts	Possible Impacts	Possible Impacts
Vessel/Aircraft Collisions	Multiple Impacts (If Resultant Spill)	None	Multiple Impacts	Multiple Impacts	Multiple Impacts	None

Loss of Well Control	Multiple Impacts	Possible Impacts	Multiple Impacts	Multiple Impacts	Multiple Impacts	Multiple Impacts
Spills (Oil and Chemical)	Multiple Impacts	Multiple Impacts	Multiple Impacts	Multiple Impacts	Multiple Impacts	Multiple Impacts

Similarly, ECP's Water Quality, Air Quality, and Marine Trash and Debris (MT&D) programs focus on field activities with the greatest possibility of an accidental/intentional IPF and the resultant compliance efforts effectively reduce the potential of occurrence.

2.2. Contributing BSEE Programs

2.2.1. Environmental Compliance Program

The directive established for ECP is to monitor, verify, enforce, and improve industry's compliance with environmental standards during Outer Continental Shelf (OCS) operations. The environmental standards overseen by ECP are means by which an activity is restricted, modified, and/or required to incorporate 'best practices'/monitoring tools intended to negate or lessen the potential impact(s) upon a protected resource. Within BSEE/BOEM, **environmental standards** are usually characterized as:

a. **Regulations** – mitigation measures outlined within the Code of Federal Regulations (CFR);
   i. Generic/Programmatic – not always variable by Region, known OCS resources, or type of operation,
   ii. Extremely time consuming to develop, modify, or delete,

b. **Lease Stipulations** – requirements applied to individual leases based on specific instructions related to restrictions/operating requirements;
   i. Region Specific/Programmatic; generally applicable to the entire lease area/planning area,
   ii. Developed/assigned as a part of the lease sale process,

c. **Programmatic Terms/Conditions** – mitigation measures outlined in consultation documents (i.e., Incidental-Take Statements (ITS), Memorandums of Understanding/Agreement (MOUs/MOAs), etc.) developed in coordination with other regulatory authorities in compliance with environmental laws/regulations (i.e., Clean Water Act (CWA), Endangered Species Act (ESA), Clean Air Act (CAA), Marine Mammal Protection Act (MMPA), etc.) and required for conducting the activities subject to the programmatic coverage;
   i. Generic/Programmatic or Site-Specific depending upon consultation type,
   ii. Mostly Region Specific – possibly location specific within a single Region,
   iii. Require new consultation in order to be updated,

d. **Notices to Lessees and Operators (NTL)** – formal documents that provide clarification, description, or interpretation of a regulation, stipulation, consultation terms/conditions, or an OCS policy or standards[8];
   i. Some National, but most specific to Region and activity,
   ii. Modification is generally internal to BSEE, but could involve BOEM, and

e. **Conditions of Approval** – precise mechanisms/mitigation measures placed on OCS plan and permit approvals to control potential impacts specific to activities proposed in the submittal. Conditions of approval mostly cover resource protection as determined through NEPA analyses

[8] Notices to Lessees and Operators (NTLs) and their functions are addressed in the OCSLA regulations under 30CFR§250.103 and found online at: http://www.bsee.gov/Regulations-and-Guidance/Notices-to-Lessees/index/.

and imposed under OCSLA regulations for operational compliance[9], but could also implement/modify the previously-mentioned environmental standards;

i. Site-Specific; only for activities approved under the particular plan/permit,

ii. Assigned/developed specifically for each activity under review.

The ECP primarily focuses on compliance; while maintaining adaptive management with the BOEM assessment and studies programs. Ultimately, ECP oversight affects improvement of industry's environmental "culture" and assist BSEE in meeting its regulatory mission (as per 30CFR§250.101(b)(2)) to balance safe OCS exploration, development, and production with effective environmental protection. To carry out the directive, ECP focuses on three primary program objectives:

- **National Environmental Policy Act (NEPA) Compliance**: ECP is responsible for ensuring that BSEE's permitting programs are in compliance with NEPA, its implementing regulations, and additional bureau guidance;
- **Regulatory/National Program Coordination:** ECP leads the bureau's National coordination efforts for environmental programs/regulatory needs and subject-matter-experts (SMEs) often hold National program positions on behalf of BSEE such as the Federal Preservation Officer (FPO), Tribal Liaison Officer (TLO), Marine Trash and Debris (MT&D) Coordinator, and the National Artificial Reef Coordinator; and
- **Environmental Compliance Verification, Monitoring, and Enforcement Oversight:** ECP conducts requisite monitoring of ongoing OCS operations, office compliance verification (Post-Activity Submittal (PAS) coordination), field (facility/site) verification, and active enforcement efforts; including any necessary inspections, compliance data collection, impact-determinations, and support of BSEE investigations, civil, and/or criminal proceedings.

The interdependencies between BOEM and BSEE regarding Environmental Stewardship begins with the Programmatic and Site-Specific NEPA programs, which provide for environmental risk assessments that help both agencies focus on the IPFs and resultant impacts (See Appendix A). Additionally, BOEM and BSEE coordinate daily on ECP's program objectives; incorporating adaptive management practices to constantly improve assessments, compliance activities, and enforcement (see Figure 2.2.)

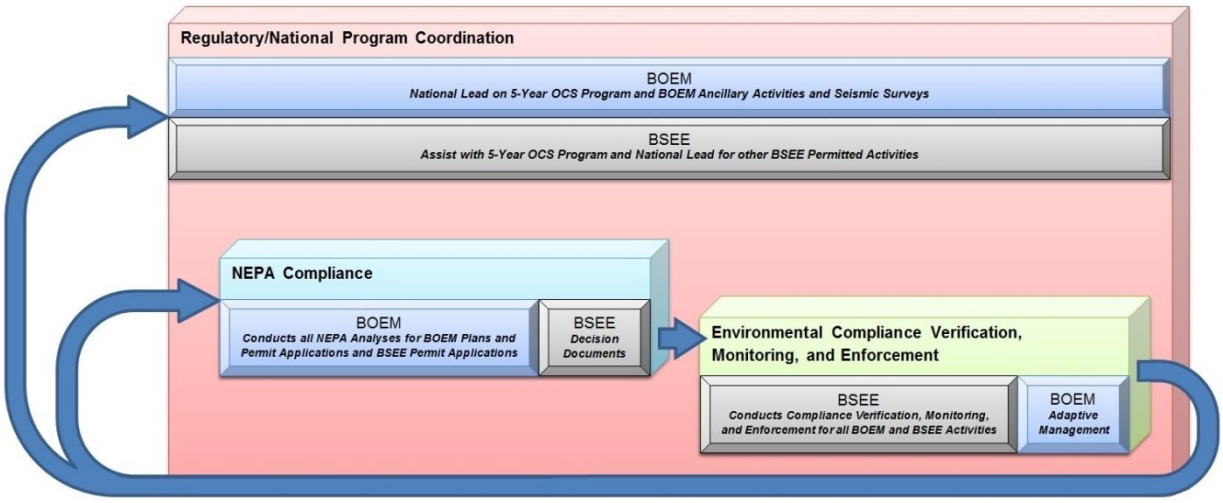


Figure 2.2. ECP Interdependencies and Comparative BOEM and BSEE Responsibilities for Each Program Objective.

[9] As per 30CFR§250.106(c), the Director can apply applicable standards to regulate lease/OCS operations in order to prevent damage to or waste of any natural resource, property, or the environment.

The ECP team consists of scientists and engineers with the diverse backgrounds and proficiencies needed to oversee the environmental resources on the Federal OCS. ECP's multidisciplinary team currently consist of biologists, environmental engineers, marine archaeologists, geologists, environmental scientists, marine ecologists, and program analysts; most of which are BSEE's primary SMEs in their respective fields and hold the Regulatory and/or National program positions noted above. Adequately staffed and supported, ECP can maintain bureau oversight of archaeological/cultural resources, air quality, fisheries, sensitive marine habitat, protected species, marine/coastal water quality, benthic organisms/corals, and impacts with other users of the Federal OCS.

2.2.1.1. Environmental Compliance Division – Headquarters

The Environmental Compliance Division (ECD) consists of management and staff in BSEE Headquarters.

2.2.1.2. Office of Environmental Compliance – GOMR

The Office of Environmental Compliance (OEC) is a program office under GOMR that oversees the ECP responsibilities. To address 'span of control' issues for the larger staff and allow for two levels of management oversight within the office, OEC includes the Coordination and Review Unit (CRU) and Environmental Monitoring Unit (EMU). Each unit is led by a Unit Chief and organized/staffed to support the aforementioned program objectives; with the CRU Chief, Herb Leedy, providing leadership/planning for the branch's NEPA and office-verification programs and the EMU Chief, Ramona Sanders, providing leadership/planning for the branch's enforcement and facility-/field-verification programs. Despite committed unit oversight, staff in either group support the program needs of the other; especially as it relates to critical resource needs and personnel experience (see Figure 2.3.).

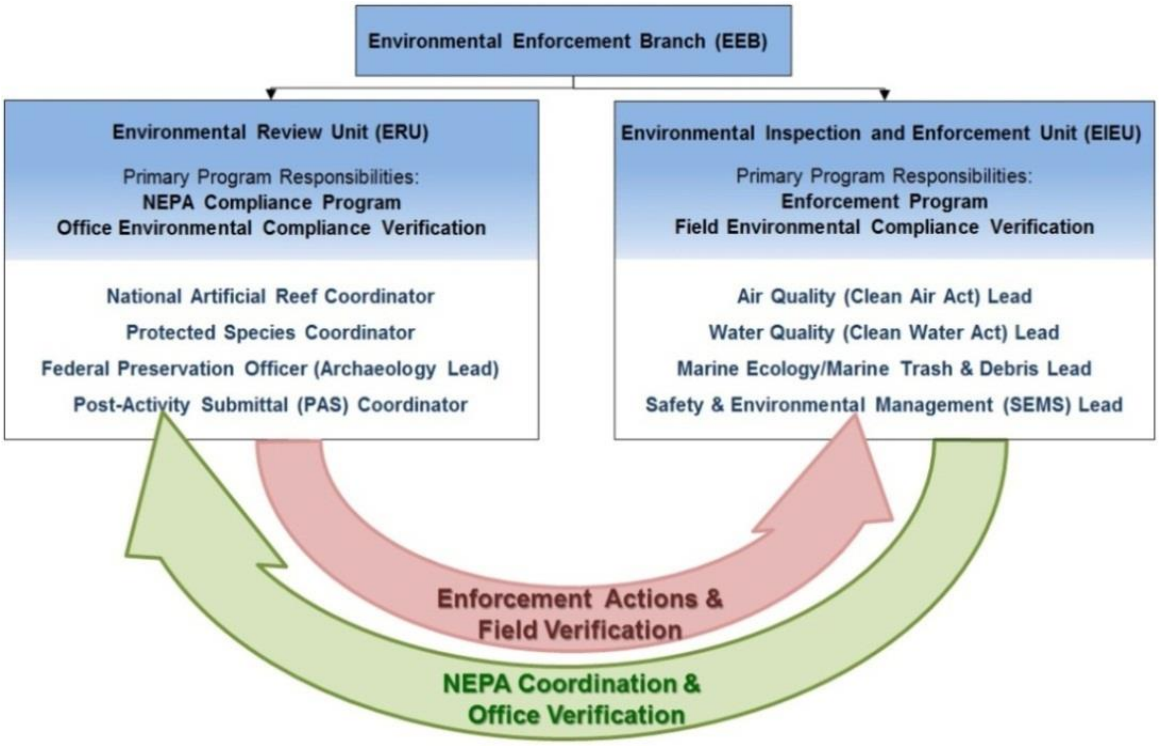


Figure 2.3. Unit Responsibilities and Coordination within OEC.

As such, CRU coordinators conduct site verification/monitoring inspections for operations related to their area of expertise and follow up with enforcement efforts under the general guidance of the EMU

Chief and EMU guidelines. Similarly, EMU leads manage office verification/Post-Activity Submittal (PAS) reviewing related to their backgrounds/resource oversight under the assistance of the CRU Chief and PAS Coordinator. The coordination within OEC between CRU and EMU personnel also provides opportunity for cross-training among the various scientists/engineers. The cross-training component is very important assisting OEC with critical workload management issues and program support needs in lieu of necessary succession planning and additional recruitment of entry-level personnel. Additionally, internal CRU - EMU support assist with the coordination needs between OEC and other BSEE program offices and with resource leads and management within BOEM's Office of Environment (OE).

Seafloor Compliance, Assessment, and Monitoring Program (SCAMP):

To assist with most site verification and monitoring needs, OEC developed and employs the Seafloor Compliance, Assessment, and Monitoring Program (SCAMP). The program is staffed/supported by OEC scientists, engineers, analysts, and scientific divers with backgrounds in OCS resource disciplines and various offshore/underwater technology fields. In addition to scientific diving, the team also has expertise in data collection, analysis, interpretation and leading/overseeing remote sensing operations, which includes OEC's side-scan and sector-scanning sonars, magnetometers, underwater video/cameras, a Differential Global Positioning System (DGPS), and associated support equipment. The OEC SMEs in SCAMP use the "science-based compliance" philosophy to conduct verification/monitoring work, prepare reports, analyze mitigation effectiveness, conduct damage and impact assessments, support BOEM's ESP and BSEE compliance research, and illustrate its mission to the public through outreach and education.

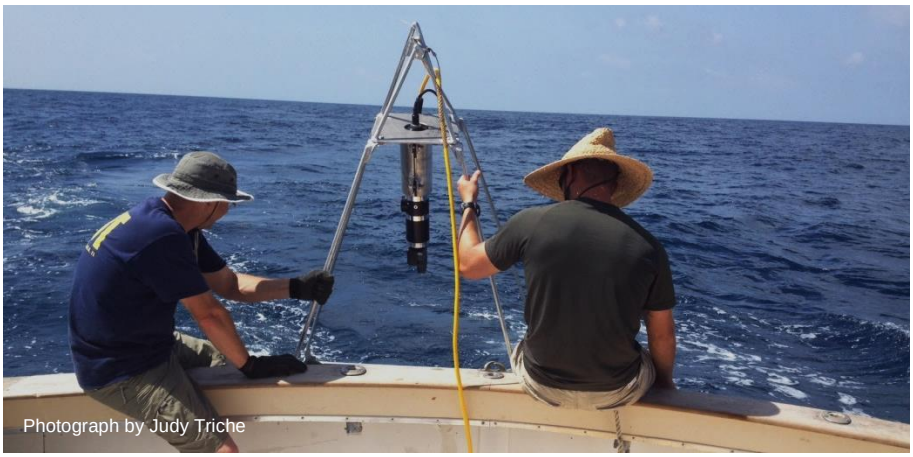


Figure 2.4. Herb Leedy and Chris Horrell deploying one of EEB's MS1000 Sector-Scanning Sonars during a SCAMP project in Brazos Area 415 to determine compliance with site-clearance verification requirements.

2.2.2 Oil Spill Preparedness

Ensuring that the owner/operator (O/O) of an offshore facility is prepared to respond to an oil spill is an important aspect of environmental stewardship performed by BSEE. BSEE is responsible for ensuring every O/O with offshore facilities or activities under BSEE's jurisdiction, including facilities/activities in State waters not otherwise regulated by BSEE, is prepared to respond to the maximum extent practicable to a potential worst case discharge (WCD) of oil from those facilities or activities.

To that end, BSEE has created a comprehensive system for Oil Spill Response Plan (OSRP) review that:

· provides objective, justifiable, and documented verification of the offshore oil industry's oil spill preparedness, as directed by 30 CFR §254,

· guides the regulatory and administrative focus of BSEE activities by detailing clear OSRP review direction inside established legal boundaries,

· ensures administrative consistency across the entire life cycle of an OSRP, and

· develops an administrative record of decisions for every BSEE regulatory activity related to OSRPs.

In addition to the review and approval of an OSRP for each O/O, BSEE takes other regulatory actions necessary to verify their preparedness to respond to a WCD oil spill. However, these other regulatory actions taken by BSEE are all connected back to an OSRP.

Exercises allow personnel from facility operators to spill response contractors to senior regulatory officials to validate the efficacy of any OSRP. Additionally, exercises allow for training and practice of strategic and tactical preparedness, protection, response, and recovery capabilities in a risk-reduced environment. Exercises are the primary tool for assessing preparedness and identifying areas for improvement, while demonstrating the regulated communities' resolve to prepare for WCD incidents. Further, both industry-initiated and/or Government-initiated unannounced exercises (GIUEs) aim to help O/O's gain objective assessments of their capabilities so that gaps, deficiencies, and vulnerabilities are addressed prior to any real oil spill/discharge incident. BSEE personnel regularly participate in O/O- led exercises and conduct GIUEs to further these objectives.
BSEE also monitors the preparedness and readiness levels of oil spill response equipment owned or contracted by owners and operators of offshore facilities. Equipment listed within an OSRP is verified on a periodic basis by BSEE personnel to ensure that it is being properly maintained, is ready to be operated, and performs as specified by the manufacturer. An O/O's ability to respond effectively to an offshore worst-case discharge oil spill to the maximum extent practicable is directly related to the preparedness status of the equipment listed within the OSRP.

2.2.3. Significant BSEE Environmental Stewardship Accomplishments

Recent ES accomplishments with ECP include; 1) Apex Oil and Gas, Inc. failure to notify/potential damage to archaeological resources during site-clearance activities and 2) FairfieldNodal entanglement/drowning of an Atlantic spotted dolphin during seismic survey operations. Both incidents were discovered during ECP office reviewing efforts and required additional field work to determine the action/inaction that led to the noncompliance and the level of impacts.

On January 22, 2014, while conducting a PAS Archaeological Resource Review of Apex decommissioning records for Platform B in Vermillion Block 129, Dr. Chris Horrell noted contractor reference of a "5' old boat anchor" in the associated Site-Clearance Verification Report. After requesting additional information from the site-clearance contractors and operator, Chris was provided with a photo which he immediately identified as a possible, mid-19th century historic resource (see Figure 2.5.). Chris also discovered that the anchor was taken by one of the contractors and sent to a residential home for display, which prompted OEC to request the assistance of the Investigation and Review Unit (IRU). An INC was issued for Apex's failure to comply with 30CFR§250.194(c); in that they did not immediately halt

operations, take steps to protect the resource, or report the discovery to BSEE. The corrective actions required Apex to conduct a remote-sensing survey of the seabed at the Vermillion 129 platform location (to determine if additional resources were present and/or were damaged) and to coordinate/fund recovery of the anchor from the residence to the University of West Florida (UWF) for analysis and curation.

Figure 2.5. Possible, Mid-19th Century anchor retrieved during site-clearance trawling in Vermillion Block 129.

The transfer of the anchor was witnessed by Chris and documented by Charles Arnold, GOMR IRU investigator. The anchor was transported to UWF and is undergoing conservation and curation.

In 2014, OEC office monitoring and subsequent facility inspection identified contractor noncompliance that led to the entanglement/drowning of an Atlantic spotted dolphin during seismic operations (see Figure 2.6.). Shortly after completion of the facility visit and issuance of the two INCs, OEC finalized its case file and worked with EMU to document the necessary TIMS information to initiate CP review (as per 30CFR§250.1404(b) and (c); *threat-/serious harm-to aquatic life*). A Reviewing Officer was assigned by OSM to coordinate with OEC on the case file and work necessary for penalty correspondence and calculation.

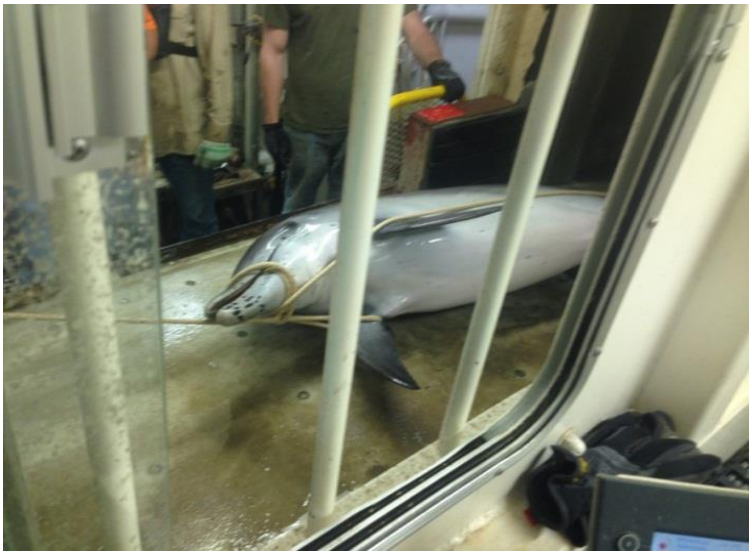


Figure 2.6. MPS Observer photograph of an Atlantic spotted dolphin entangled/drowned in nodal tether line.

Since the nodal array that entangled the dolphin was deployed on the OCS for several weeks, the Reviewing Officer had to consider both the fatality and the threat that the array presented to other animals. Due to the deployment time, the Reviewing Officer's penalty calculation weighed more on the "threat of harm" presented by the nodal lines than the one entanglement/drowning event. During the officer's threat assessment, OEC had to inform OSM that AKOCSR's Resource Evaluation (RE) and Office of Environment (OE) chose to permit a similar G&G survey using the same nodal tether line that caused the dolphin mortality under the FairfieldNodal permit; against requests/recommendations from EEB and BOEM GOMR RE and OE management.[10] Despite the GOMR BOEM and BSEE objections, the Reviewing Officer had to consider BOEM AKOCSR's decision to permit a similar project in an area with even more marine mammal concerns; specifically as they could relate to potential IBLA appeal.

The completed CP case file and final draft of the CP documentation were provided to EEB for review in September of 2014. Despite some concerns with the AKOCSR permitting decision and a few other issues, the proposed CP amount is still expected to be substantial. Based on final coordination efforts with OSM, the CP was approved and issued to FairfieldNodal during the 1st Quarter, FY2015; making it the first CP ever initiated by the Environmental Program in the history of MMS, BOEMRE, or BSEE.

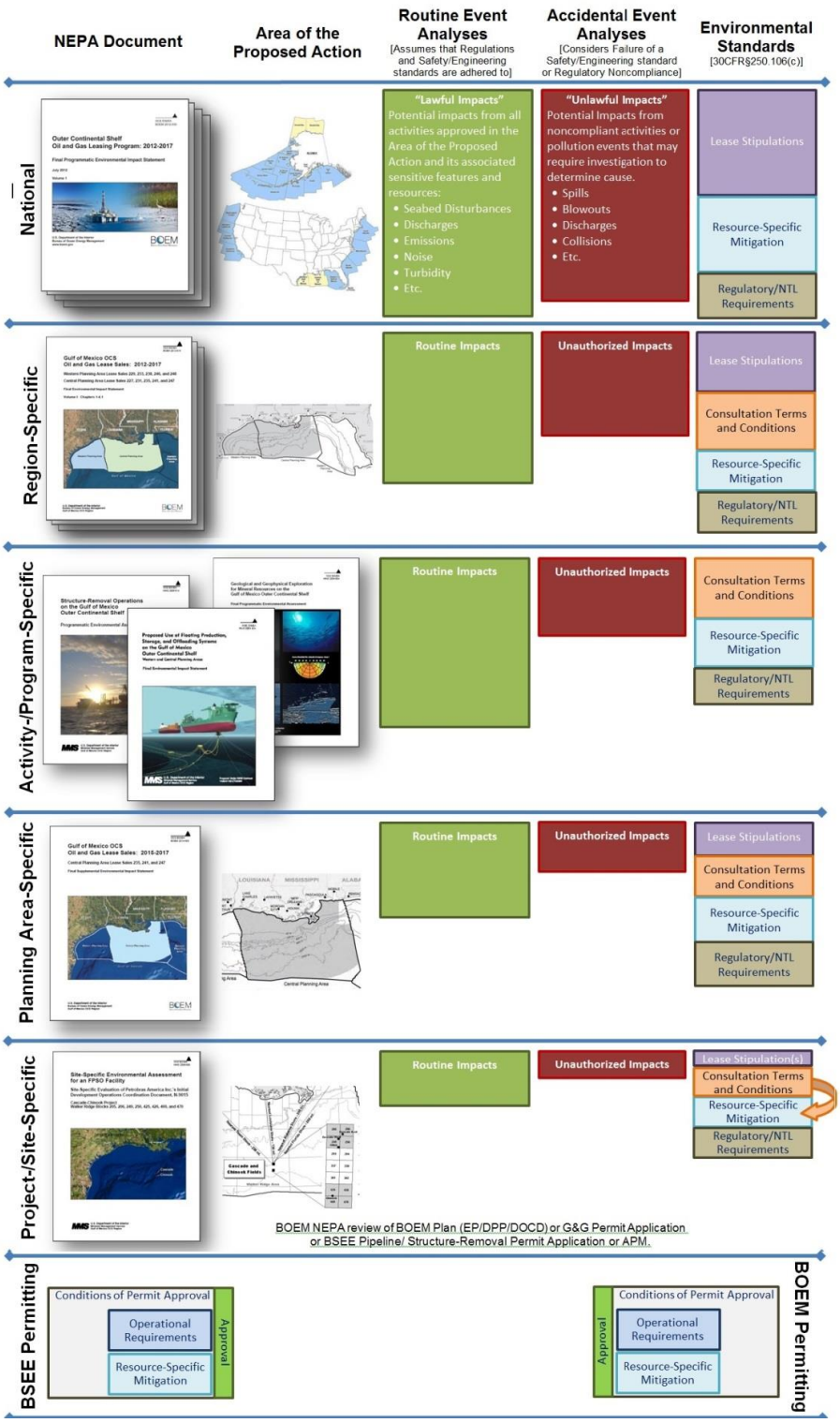
3. References

3.1. Literature Cited

U.S. Department of the Interior (DOI). Bureau of Ocean Energy Management (BOEM). 2012. Outer continental shelf oil and gas leasing program: 2012-2017 — final environmental impact statement. Prepared by Argonne National Laboratory for U.S. Dept. of the Interior, Bureau of Ocean Energy Management, Herndon, VA. OCS EIS/EA BOEM 2012-030.

[10] GOMR BOEM ORD and RE refuse to permit seismic surveys using uncoated nodal tether line on the GOM OCS since EEB's compliance verification work identified the entanglement/drowning and noncompliance issues.

BSEE/BOEM Hierarchical Environmental Risk Oversight



Appendix D: Analysis, Review, and Recommendations for DOI/DOT MOU

The Memorandum of Understanding (MOU) between the U.S. Department of Transportation, Pipelines and Hazardous Materials Safety Administration (PHMSA) and the Department of the Interior regarding Outer Continental Shelf (OCS) Pipeline. This MOU establishes the boundaries that will be used to delineate the locations over which the Department of Transportation (DOT), Research and Special Programs Administration (RSPA), and the Department of the Interior (DOI), Minerals Management Service (MMS), will exercise their respective regulatory authority over pipelines located on the OCS. This MOU became effective December 10, 1996, and replaced the MOU between DOT and DOI regarding OCS pipelines which was signed and became effective May 6, 1976.

Options for Consideration

1. Terminate the MOU due to the increased risk BSEE assumes in fulfilling PHMSA regulatory responsibilities with respect to design, construction, operation, and maintenance regulation for all pipelines on the OCS.

2. Amend this MOU with the intent of developing a BSEE MOU with PHMSA specific to the roles of BSEE and PHMSA and their contributions to environmental stewardship and compliance. The new MOU should ensure the following:

    - BSEE and PHSMA will coordinate all of their respective research and development projects concerning offshore pipeline.
    - BSEE and PHSMA will perform joint inspections and enforcement activities necessary to enforce its regulations and OCS orders relating to pipelines on the OCS.
    - At least once each calendar year, BSEE and PHSMA will jointly review all existing standards, regulations, orders, and operating practices concerning pipelines on the OCS.
    - BSEE's National Offshore Training Program and PHSMA should collaborate to develop guidance which the BSEE engineers and inspectors can use to carry out specific inspection activities on behalf of PHSMA and according the MOU.

Key Findings

1. DOT has the responsibility for promulgating and enforcing safety regulations for the transportation of gases and hazardous liquids by pipeline. DOT responsibilities include all offshore pipelines both on State lands beneath navigable waters as that area is defined in the Submerged Lands Act and on the OCS as that area defined in the Outer Continental Shelf Lands Act (OCSLA). DOI has certain responsibilities under the OCSLA including the issuing of rights-of-way (ROW) and rights-of-use and easements (ROE) for the construction of pipelines on the OCS and enforcing regulations necessary for the prevention of waste and conservation of natural resources on the OCS. In recognition of each of the parties respective regulatory responsibilities, DOT and DOI agree a MOU is needed to avoid duplication of regulatory efforts regarding offshore pipelines and to maximize the exchange of relevant information.

2. The purpose of the MOU is to ensure National Consistency in the implementation of the MOU by the Agencies. There are several implementation breakdowns that need to be addressed going forward.

    a. Inspections
    b. Investigations
    c. Training
    d. Shared Information

3. Inspections of DOT jurisdictional "BSEE ROW" pipelines located on the OCS and the accessory structures have been non-existent throughout the MOU. How these inspections and regulatory oversight are handled is of concern. BSEE's Pipeline Section approves ROW pipeline applications and pipeline ROW grant applications; however, once the BSEE Pipeline Section ensures that the pipelines meet the requirements. The regulatory oversight of DOT pipelines and accessory structures are being disregarded. The current MOU address regulatory oversight, but there's an absence of training and support from DOT/PHMSA. The MOU needs to address training and support for DOT/PHMSA.

4. Investigations involving DOT jurisdictional pipelines have been coordinated with both U.S. Coast Guard and PHMSA; however, BSEE has experienced a breakdown in communication with PHSMA. A need exists for investigation responsibilities, so incidents on the OCS can be properly and adequately addressed between BSEE and PHSMA. The MOU needs to address investigational responsibilities.

5. BSEE offers training courses in pipeline design, and integrity management, in addition offshore regulatory inspection principles/practices. These are open to BSEE employees and BSEE should explore the option of open attendance to DOT/PHMSA on a regular or planned basis. PHMSA has Training and Qualification (TQ) program that its inspectors go through. BSEE should explore the option of sending pipeline engineers and production inspectors to these courses. PHMSA and BSEE's National Training Program should coordinate cross training as a motivational and problem solving technique.

6. BSEE and PHMSA should meet at least once each calendar year exclusively for the purpose of sharing data, decision making, reporting, analysis, policy making, reviewing all existing standards, regulations, orders, and operating practices concerning pipelines on the OCS. These meeting should be documented with dates, names of attendees, and comments, and future state going forward.

Previous Applicable Recommendations

Draft MOU Implementation Plan, prepared by Southwest Region Pipeline Safety Office and MMS Regional Pipeline Section.

MMS Inspector Training

The MOU required DOT to provide training to MMS inspectors that would familiarize them with DOT Gas and Liquid Pipeline Safety Regulations and inspection guidelines.

DOT's Transportation Safety Institute (TSI) was tasked to provide necessary training for MMS inspectors to act as RSPA/OPS agents when conducting inspections on DOT regulated OCS pipeline facilities as provided for in the MOU. A joint TSI/OPS/MMS interagency training assessment was conducted focusing on goals to be achieved as well as an analysis of additional training, skills and knowledge that would be required for MMS inspectors to be initially qualified to perform DOT-regulated pipeline inspections.

A course curriculum was developed, as well as instructor-lesson plans, class-session locations and schedule, training-effectiveness evaluations and an annual follow-up evaluation. Summaries of these evaluations would be made available to OPS and MMS to assure that training goals were met.

An additional request was made by the Southern Region director that this offshore TSI training be open to state pipeline safety representatives having offshore pipeline jurisdictional responsibilities.

Interagency OPS/MMS protocol

1. Joint inspections (initial, ongoing)

OPS will provide guidance and assist MMS district safety inspectors during initial inspections of DOT-regulated offshore pipelines. Thereafter, a coordinated joint inspection will be scheduled annually for a minimum with each MMS district office to assure consistency and uniformity of DOT inspections and resolve any concerns with the agency-status process.

2. OPS/MMS offshore pipeline planned inspection schedules

OPS and MMS, where practicable, will coordinate each agency's planned inspection activities. OPS regional planned inspection schedules will be provided to MMS. Knowledge of any concerns or problems should be shared between agencies prior to inspections of scheduled operations.

3. DOT platform inspections

Pipeline facility inspections on DOT platforms will be the primary responsibility of OPS. Structural platform inspections on DOT platforms will be the primary responsibility of MMS. Joint inspections of DOT platforms may be conducted as determined by each agency.

4. Notification to DOT operator of MMS inspection

MMS will provide advanced notice to a DOT pipeline operator of their planned inspection to provide opportunity for the operator to have a company representative present during the inspection. For an unannounced MMS production platform inspection, MMS will request that the producer provide immediate notification to the DOT-jurisdictional-pipeline operators having facilities on their platform that are associated with the inspection.

5. Notification process by MMS for DOT pipelines inspected and probable violations (high, medium, low risk)

High risk probable violations will be reported to OPS immediately for enforcement action. This action may be in the form of a Hazardous Facility, Compliance or Consent Order to reduce operating pressure, shut down the pipeline or take appropriate remedial action.
Medium or low risk violations will be reported to OPS following completion of the MMS inspection, but no later than 30 days following determination of the probable DOT violation.

Notification of probable violations will be made to the OPS regional director or his/her designated representative.

Documentation of a probable violation should include reference to the regulation being cited, what the operator needed to correct, evidence supporting the probable violation (photos, statements, records, inspector observations) and the seriousness of the violation. The seriousness is defined by the consequence of non-compliance such as compromising public safety, environmental damage or pollution.

Examples include but are not limited to the following:

- High risk: corrosion pitting or wall loss to extent that remaining wall thickness is not commensurate with maximum allowable operating pressure; and any uncontrolled leak, inoperable emergency safety equipment -- pressure control valves, ESDs -- or any other condition such as outside force damage or exceeding the MAOP that could adversely impact system integrity or pose a threat to personnel safety or the environment.
- Medium risk: atmospheric-generalized corrosion or pitting that left uncontrolled could result in a high-risk condition; and out-of-date or inaccurate pipeline facility drawings.
- Low risk: record keeping, late or missed inspection intervals and jurisdictional marking requirements.

6. Special requests by operators for:

- Change in jurisdictional status of pipeline designation may include the following request types:

a. Producer-operated transporter-owned pipeline	MMS to DOT
b. Transporter-operated producer-owned pipeline	DOT to MMS
c. Transporter-owned-and-operated production pipeline	DOT to MMS
d. Producer-operated-and-owned production pipeline	MMS to DOT
e. Transporter-owned-and-operated pipeline	DOT to MMS

- Determination of transfer point where consensus agreement is not achieved or the transfer point is not consistent with operating responsibilities
- The MMS regional supervisor and OPS regional director will coordinate granting of a petition in consultation with affected parties requesting a change in pipeline-jurisdictional status. MMS will issue a “Notice to Lessees and Right-of-Way Holders” advisory notice for submitting a petition including justification for exemption to the provisions of the MOU for case-by-case jurisdictional status determination.

- The MMS regional supervisor and OPS regional director will make a joint determination of the transfer point in those cases where adjoining operators have not agreed on a transfer point by September 15, 1998.

7. Correspondence – "Pipeline Approval" letters
MMS will continue to send copies of approval letters to the appropriate OPS regional office for proposed DOT pipelines. For the Gulf of Mexico (GOM), the OPS Southwest Region will forward applicable approval letters to the OPS Southern Region.

8. DOT/DOI inter-regional protocol
OPS regional director will resolve inter-regional protocol. MMS-GOM Region's preference is to deal with one OPS office or region. If a one-office concept cannot be established, then OPS offshore OCS regional boundaries should be established.

9. MMS pipeline-database inventory
To further clarify the pipeline operator from the permit holder or pipeline owner, MMS will create a new database field to identify the pipeline operator. Based on this information, jurisdiction will be assigned as provided in the MOU. MMS will do a global update of the assigned jurisdiction for existing pipelines based on the provisions of the revised MOU.

10. MMS GIS mapping program
MMS will provide hard copy offshore pipeline maps to OPS on an as-needed basis. MMS may also look at the possibility of providing access to the MMS mapping database server, or OPS to obtain mapping software to utilize downloaded mapping data from the MMS homepage.

11. Rule-making status - no transfer occurs in OCS Federal waters
Draft MMS rule-making has been completed and is being reviewed by legal and DOT prior to NPRM. OPS rule-making is in progress. OPS regulatory language should include exceptions to DOT jurisdictional status as provided in the MOU and similar to MMS draft rule-making.

12. Conduct regulatory comparability study
A preliminary regulatory comparison has been completed for instructional use for MMS-inspector training. A regulatory task team should be formed to conduct the regulatory comparability study as provided under the MOU, Section I - Purpose.

13. Agency notification per MOU (NPRMs, NTLs, Alert Notices, etc.)
DOI and DOT will consult with each other during the development of regulatory requirements as provided for in the MOU under each agency's responsibilities.

14. Periodic meetings
Periodic meetings will be held between MMS and OPS on an as-needed basis to discuss or review enforcement or technical issues, interpretations or other regulatory concerns.

15. Agency coordination research and development pipeline projects per MOU

Each agency will exchange on an annual basis, a list of pipeline research projects being funded or under consideration for funding. It is encouraged that in areas of mutual interest, that joint funding be considered. Each agency will coordinate all research and development needs concerning OCS pipelines.

16. Joint three-year MOU review

A joint three-year review of standards, regulations, orders, operating practices, along with environmental and safety issues will be conducted as provided under the provisions of the MOU with the first meeting scheduled for the fourth quarter of the year 2001.

References

1. Memorandum of Understanding between the Department of Transportation and the Department of the Interior regarding Outer Continental Shelf Pipelines (December 10, 1996)

2. Memorandum of Understanding between the Department of Transportation and the Department of the Interior regarding Offshore Pipelines (May 6, 1976)

Appendix E: Analysis, Review, and Recommendations for DOI/EPA MOU

The Memorandum of Understanding between the Environmental Protection Agency (EPA) and the Department of the Interior (DOI) Concerning the Coordination of NPDES Permit Issuance with the Outer Continental Shelf Oil and Gas Lease Program has been in place for over 30 years and has not been revised, updated or in any other way altered. It contains out of date information and would benefit from clarification on key aspects of the agreement. This MOU addresses functions within both BSEE and BOEM; Section VI impacts BSEE and Sections IV and V impact BOEM. In 2013 there was an effort to update this MOU addressing specifically Section VI as approved by the Department. The draft MOU, dated 8/23/2013, should act as a starting point for this update. Prior to the version dated 8/23/2013 it had been reviewed by BSEE and EPA staff at headquarters and regional levels, and reviewed by the Solicitors Office. BSEE contracted with ABS to conduct an analysis of the Risk Exposure associated with each of the MOUs/MOAs/MOCs BSEE had in place, this MOU and associated MOAs is the 9th riskiest MOU.

Options for Consideration

1. Terminate the MOU and subsequent MOAs as provided in Section X of the existing MOU due to the increased risk BSEE assumes in fulfilling EPA's responsibilities associated with monitoring and inspecting facilities for compliance with NPDES permits. This would most likely have to come from the Department level since it will impact both BSEE and BOEM.

2. Terminate this MOU and subsequent MOAs with the intent of developing a BSEE Memorandum of Understanding with EPA specific to the roles of BSEE and EPA and their contributions to environmental stewardship and compliance. This would most likely have to come from the Department level since it will impact both BSEE and BOEM.

3. Establish a Memorandum of Understanding between EPA and BSEE Concerning NPDES Permit Compliance Verification, as previously covered under the existing MOU Section VI. Utilize the draft MOU dated 8/23/2013 as the starting point. The new MOU should ensure the following:

    - Trigger updates for all Regional MOAs
    - Specify regular meetings at HQ and Regional Level
    - Require the Annual Compliance Monitoring Workplan (Pacific MOA)
    - Develop an EPA Region 4 MOA or re-initiate the 2007 Joint Region 4/6 MOA
    - Require feedback from EPA Regional Office to BSEE Regional Office conducting the inspections (Pacific MOA Article III c. and d.)
    - Allow all Regions to conduct sampling
    - Require a review of the MOU/MOA (annual/bi-annual?)

Key Findings

1. Part of the purpose of the MOU is to ensure National Consistency in the implementation of the MOU by the Agencies. There are several substantial differences in the Regional MOAs that cannot be accounted for by the geographical differences.
    a. Reimbursement
    b. Sampling
    c. Annual Compliance Monitoring Workplan
    d. Laboratory analysis results of samples collected by MMS as soon as they are available.
    e. Documentation for required annual meetings.

2. Sampling is addressed/allowed in the MOU. The GOMR Region 6 MOA does not allow it. The Alaska and Pacific MOAs allow sampling with the samples being sent to the EPA.

3. There is no MOA with GOMR and EPA Region 4. It is unclear if MMS has historically conducted NPDES permit inspections on facilities covered under EPA Region 4. There is a draft version of Joint MOA covering GOMR and both EPA Region 4 and Region 6, but it was not signed.

4. The Pacific MOA has a couple areas that are more detailed than the GOMR Region 6 MOA and the mechanisms within the MOA ensure consistent interaction and develop an administrative record for the implementation of the MOU, this would contain useful information when explaining to the public what BSEE does in relation to NPDES Inspections.

5. The MOU requires Regional MOAs to include provisions for EPA reimbursements to MMS "for additional costs related to the monitoring and inspection responsibilities which MMS assumes pursuant to this memorandum". There is no mention of cost reimbursement in the GOMR Region 6 MOA, even though this is mentioned in the Pacific MOA apparently there have been issues actually being reimbursed in the past.

6. All MOAs associated with this MOU need to have up to date information provided such as points of contact and responsible offices.

7. Training requirements and opportunities should be clarified and consistent nationally. This issue has been mentioned in the past as being something that has been hard to schedule.

Previous Applicable Recommendations

Updating this MOU is in line with several recommendations made to DOI/BSEE including the following:

BSEE Risk Exposure from Participation in Memorandums of Agreement / Understanding / Collaboration prepared by ABS Consulting July 2015.

"Recommendation Specific to the DOI - EPA MOU regarding NPDES permits: Evaluate whether BSEE wants to continue to accept this responsibility."

GAO February 2016 report titled: Oil and Gas Management - Interior's Bureau of Safety and Environmental Enforcement Restructuring has not Addressed Long-Standing Oversight Deficiencies.

"To enhance its environmental compliance capabilities, we recommend that BSEE coordinate with the Administrator of the Environmental Protection Agency to consider the relevance of existing interagency agreements for monitoring operator compliance with National Pollutant Discharge Elimination System permits on the OCS and, if necessary, update them to reflect current oversight needs." (GAO-16-245 Oil and Gas Management, pg. 30)

Building Stronger Connections: An Independent Look at BSEE's Interagency Partnerships and Their Regulatory Effectiveness; Recommendation 09:

"Re-establish formal partnerships within government to improve consistency of effort and compatibility of regulations. The work performed by BSEE on behalf of the EPA is good government, but it would benefit from greater interaction at the policy and field levels."

National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling Report to the President, Recommendation B2:

"The Department of the Interior should reduce risk to the environment from OCS oil and gas activities by strengthening science and interagency consultations in the OCS oil and gas decisions-making process" (Deep Water, The Gulf Oil Disaster and the Future of Offshore Drilling, pg. 279)

References

1. Memorandum of Understanding between the Environmental Protection Agency and the Department of the Interior Concerning the Coordination of NPDES Permit Issuance with the Outer Continental Shelf Oil and Gas Lease Program (1983)

2. Memorandum of Agreement between the U.S. Environmental Protection Agency (EPA), Region 6 and the Gulf of Mexico Regional Office, Minerals Management Service (MMS), Coordinating the EPA NPDES Permit Compliance Program with the MMS Offshore Inspection Program (1989)

3. Memorandum of Agreement between the U.S. Environmental Protection Agency (EPA), Region 9 and the Pacific OCS Region, Minerals Management Service (MMS), Coordinating the EPA NPDES Permit Compliance Program with the MMS Offshore Inspection Program (1989)

4. Memorandum of Agreement between the U.S. Environmental Protection Agency (EPA), Region 10 and the Minerals Management Service (MMS), Alaska Outer Continental Shelf (OCS) Region Coordinating the EPA NPDES Permit Compliance Program with the MMS Offshore Inspection Program (1993)

5. Draft Memorandum of Understanding between the Bureau of Safety and Environmental Enforcement - U.S. Department of the Interior and the U.S. Environmental Protection Agency (Dated 8/23/2013)

6. Draft Memorandum of Agreement between the U.S. Environmental Protection Agency (EPA), Region 4 and Region 6 and the Minerals Management Service (MMS), Gulf of Mexico Regional Office (Draft proposed in 2007)

7. GAO Report to the Ranking Member, Committee on Natural Resources, House of Representatives, Oil and Gas Management, Interior's Bureau of Safety and Environmental Enforcement Restructuring Has Not Addressed Long-Standing Oversight Deficiencies, February 2016

8. National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling Report to the President; Deep Water, The Gulf Oil Disaster and the Future of Offshore Drilling, January 11, 2011

9. Building Stronger Connections: An Independent Look at BSEE's Interagency Partnerships and Their Regulatory Effectiveness; Brian Salerno; July 5, 2013

Appendix F: Analysis, Review, and Recommendations for BOEM/BSEE/ONRR MOUs and MOA

2011 Memorandum of Understanding – BOEM and BSEE Management of OCS Activities

Strengths

The purpose of this interagency collaboration was to assist in the implementation of the 2011 reorganization of BOEMRE by transitioning BOEM and BSEE into the interdependent functional areas that directly or indirectly impact the effectiveness of DOI's environmental stewardship during management of OCS energy and minerals development. This purpose is clearly defined and is critical to the success of BOEM and BSEE in their respective, interdependent responsibilities. The partnership outlined in this MOU identifies the following critical functional areas that directly and indirectly ensure that environmental protection measures are in place and that also proactively identify potential environmental risks and minimize resulting environmental consequences:

- Plans and Permits
- Environment and NEPA
- Assignments, Bonding, and Pipelines
- Marine Minerals Program

This MOU makes reference to MOAs that address each of the aforementioned functional areas. The MOU also identifies the development of standard operating procedures that tier from the MOAs and cross-cut through both agencies and their respective regions as a clear, action-oriented deliverable.

Weaknesses

The primary intent of this MOU appears to create an event, which was the transition of BOEM and BSEE through certain, identified interdependencies and coordination needs. The implementation of this transition was to occur through the work of a team of senior managers for at least one year. Given that BOEM and BSEE have been in place for approximately four and a half years, the MOU should be modified now to focus on the continuation of BOEM's and BSEE's relationship, to center on the maintenance of the interdependent responsibilities within each identified functional area, and to develop action oriented responsibilities between the two agencies on those functional areas that have not yet been addressed to date.

The transition team or owners responsible for the implementation of this MOU included the Chief Environmental Officer (BOEM), Chief of Offshore Regulatory Programs (BSEE), Chief of Strategic Resources (BOEM), Chief of Environmental Enforcement (BSEE), Regional Directors (BOEM and BSEE), and the GOMR Deputy Regional Director (BSEE). The MOU is not clear on how success or effectiveness of the transition is defined; however, how the transition team tracked, collected and assessed the implementation of the MOU during the transition period is not apparent or publically available.

Communicating values and resolving disputes would have ultimately been performed through the transition team, but this responsibility is implied in the MOU and not specifically stated.

Opportunities

The Department of the Interior, Assistant Secretary of Land and Minerals Management (ASLM) office is understood to be an external ally of this collaboration. Given that this MOU addresses shared OCS management responsibilities across two agencies under the ASLM, incorporating DOI level oversight in this MOU may strengthen accountability amongst both partnering agencies.

Additional external allies should be specified and both partnering agencies should develop action plans to engage these allies to the fullest extent. External allies may include non-governmental organizations (NGOs), congressional members, media, etc. Tools such as meetings, special working groups, workshops, and conferences that are integrated into each partnering agency's regulatory management program and coordinated with these external allies would ensure that they are informed of BOEM and BSEE's activities and efforts, increase transparency, may help rally support, and may assist with procuring resources required to the meet the deliverables of the agreement.

The BOEM, BSEE, and ONNR Deputy Directors, who are contacts for this MOU, also serve as internal or system allies and should be in a position to advocate, communicate, and reinforce within their respective agencies the environmental stewardship that is taking place during the interdependent functions identified above.

Incorporate this MOU into an update of the 2014 BOEM/BSEE/ONNR MOU and adopt the Offshore Steering Committee (OSC) team to manage the functions as an ongoing effort subsequent to the one-year transition period stemming from the 2011 reorganization of BOEMRE:

- Re-purpose MOU for the continuation of BOEM's and BSEE's relationship and maintenance of the interdependent responsibilities within each identified functional area.
- Develop action oriented responsibilities on those specific functional areas that have not yet been addressed to date; particularly those functional areas that play a role in achieving and endorsing good environmental stewardship:
    - Five Year OCS Oil and Gas Leasing Program
    - Public Affairs
    - Technology Assessment and Research activities
    - Oil Spill Financial Responsibility
    - Geographic Information Systems (GIS) data
    - Internal and external audit issues
- Define the current positions that should make up the OSC team and who champion and are accountable for the MOU implementation.
- Methods for data collection/monitoring, measuring, and communication of implementation outcomes could be defined in and executed by the OSC team as an ongoing or continuing effort.

- Communication of values and resolution of disputes could reside with the OSC team as defined in the 2014 BOEM/BSEE/ONNR MOU.

Threats

None identified.

2014 Memorandum of Understanding - BOEM, BSEE and ONNR Collaboration on Processes, Policies and Systems Relating to the Management of Outer Continental Shelf Energy and Marine Mineral Development

Strengths

The purpose of this interagency collaboration is clearly defined and is critical to the success of BOEM, BSEE and ONNR and their respective, interdependent oversight of energy and mineral development on the OCS. The partnership outlined in this MOU supports environmental stewardship during the management of energy and mineral development on the OCS by identifying critical functions that directly and indirectly ensure that environmental protection measures are in place and that also proactively identify potential environmental risks and minimize resulting environmental consequences. These critical functions include:

- Preleasing Actions
    - Proposed Notice of Sale
    - Final Notice of Sale
- Leasing and Lease Terms
    - Approve/Change Transfers of Record Title and Operating Rights Interest
    - Revoke/Disqualify Designation of Lease Operator
- Lease Term
    - Post-Lease Obligations
- Right-of-Use and Easement
    - Issue Right-of-Use and Easement (RUEs)
    - Terminate/Cancel Right-of-Use and Easement (RUEs)
    - Relinquish Right-of-Use and Easement (RUEs)
- Right-of-Way Actions
    - Issue Pipeline Right-of-Way (ROWs) Grants and Review and Approve ROW Pipeline Applications
    - Modify Pipeline Right-of-Way (ROWs) (e.g. Change the Boundaries of the ROW or Add or Remove and Accessory Structure)
    - Termination (e.g. Relinquishment, Expiration, Forfeiture) of Pipeline Right-of-Way
- Bonding & Financial Assurance
    - Approve Termination of the Period of Liability under a Bond
    - Monitor Leases, ROWs, RUEs and Marine Mineral MOAs for Activities that would trigger a Bonding Review (e.g. transfers to non-waived parties, changes in planned activities, hurricanes or natural disasters, addition of accessory structures, non-payments of royalties, INC, etc.)
- Violations (INCs, Citations, Civil Penalties, and other Sanctions)
- Regulations and NTLs
    - Regulations (Proposed Rules, Final Rules, and their Variations, including Joint Rules), Notices to Lessees and other Regulatory Guidance Documents

Specific roles and expectations in this MOU that support and require environmental stewardship during the management of energy and mineral development on the OCS are assigned to each agency and the degree of responsibilities is also clearly stated.

Weaknesses

The MOU establishes the Offshore Steering Committee (OSC) which is a working group that represents all participating agencies. The OSC is responsible for the implementation of this MOU between BOEM, BSEE, and ONNR, including improving coordination, communication, and information sharing between the agencies. The OSC is also responsible for identifying and resolving issues or disputes between the agencies on the functions that make up the management of energy and mineral development on the OCS. The implementation and maintenance of this functions defined in the MOU should be addressed by the OSC at least semi-annually. However, the members or positions on the OSC are not published or made public knowledge and whether the OSC is currently active in accordance with the MOU is not apparent.

In an effective interagency collaboration, the outcomes of the collaborations should be monitored, measured, and distributed/communicated to all stakeholders. These factors which demonstrate that implementation is in effect and assess how well the objectives of the MOU are met cannot be verified, largely due to the uncertainty surrounding the status of the OSC. Therefore, the abilities to monitor, measure, and distribute the outcomes of the MOU are identified as potential weaknesses.

Insufficient staff with adequate experience may weaken BSEE's ability to move purpose to action under certain MOU listed functions that support environmental stewardship. Those functions areas include preleasing actions, leasing, lease terms, rights-of-use and easement, right-of-way actions, bonding and financial assurance, and violations (INCs, citations, civil penalties, and other sanctions). In the preleasing notice of sale processes, BSEE is expected to provide feedback to BOEM on whether their proposed environmental lease stipulations can be complied with or verified. This function is particularly critical for the Alaska OCS Region given the social and ecological sensitivities and the very specific lease stipulations that are developed by BOEM for that area. The restructuring of BSEE's Environmental Enforcement Division triggers further analysis and action plans specifying how the environmental stipulations will be analyzed for the BSEE Alaska OCS Region to ensure that BSEE can meet its obligation as defined in this MOU. BSEE monitoring and verifying that operators have met decommissioning obligations is an activity identified in the right-of-use and easement, right-of-way actions, and bonding and financial assurance functional areas. As DOI has increased its enforcement of decommissioning requirements of facilities that no longer serve the purpose for which it was approved over the last seven years, the volume of decommissioning activities have also dramatically increased. It is vital that sufficient personnel is in place within Field Operations and Office of Environmental Compliance to verify that all operational and environmental requirements have been met so that BSEE can fulfill its obligations under these related functional areas in a timely, but comprehensive manner.

This MOU should be updated to identify or reference the MOAs that expound on actions plans and specific owners of the individual functions or functional areas that directly or indirectly play a role

in environmental stewardship during the management of energy and mineral development on the OCS.

Opportunities

The Department of the Interior, Assistant Secretary of Land and Minerals Management (ASLM) office is understood to be an external ally of this collaboration. Given that this MOU addresses shared OCS management responsibilities across two agencies under the ASLM, incorporating DOI level oversight in this MOU may strengthen accountability amongst all partnering agencies.

Addition external allies should be specified and both partnering agencies should develop action plans to engage these allies to the fullest extent. External allies may include non-governmental organizations (NGOs), congressional members, media, etc. Tools such as meetings, special working groups, workshops, and conferences that are integrated into each partnering agency's regulatory management program and coordinated with these external allies would ensure that they are informed of BOEM and BSEE's activities and efforts, increase transparency, may help rally support, and may assist with procuring resources required to the meet the deliverables of the agreement.

The BOEM, BSEE, and ONNR Deputy Directors, who are contacts for this MOU, also serve as internal or system allies and should be in a position to advocate, communicate, and reinforce within their respective agencies the environmental stewardship that is taking place during the interdependent functions identified above.

BSEE's internal processes for assessing operator performance may not take into consideration all environmental compliance related issues identified during various permitted activities. Identifying and incorporating environmental data sets not traditionally used could help enhance BSEE's identification of high risk operators and mitigate unnecessary environmental impacts.

Threats

Recent changes to BSEE procedures to verify compliance with NEPA/permitting conditions to confirm to BOEM and ONNR that operators have met their decommissioning obligations puts the goal of the MOU at risk for the right-of-use and easement, right-of-way actions, and bonding and financial assurance functional areas. The process of initiating and completing a comprehensive environmental compliance check as a part of the overall operations compliance review prior to documenting a site clearance date, the method for acknowledging that operators have met all decommissioning obligations, was modified in 1st quarter 2016. The new procedures allow BSEE Regional Field Operations to document a site clearance date before notifying the Office of Environmental Compliance that the operations reports have been submitted and before the Office of Environmental Compliance has completed the necessary reviews to verify compliance with the required environmental mitigations/conditions of decommissioning permit approval. Also, partnering agencies have not been made aware of this process change that is not congruent with the responsibilities laid out in this MOU. The new process should be re-assessed to determine if it is in keeping with the original intent of the MOU function if the risk created by the new process is an acceptable one.

2011 Memorandum of Agreement - BOEM and BSEE - Environmental and NEPA

Strengths

The intent of this interagency agreement is to define the coordination needed between BOEM and BSEE to ensure cooperative environmental stewardship during the management of energy and mineral development on the Federal OCS. The agreement establishes that BSEE will be a cooperating agency on BOEM NEPA documents, and conversely, identifies that BOEM will provide support for BSEE lead environmental consultations under statutes for activities of which BSEE has jurisdiction over.

The MOA defines the responsibilities of each agency for critical functional areas or permitted activities with the potential for direct environmental impacts. The stage where BOEM or BSEE identifies and mitigates site-specific risks through the engineering or scientific/environmental analyses occurs during these functional areas. These functional areas defined in the MOA include:

- Exploration, Development, and Production Activities Proposed Under a BOEM Plan
    - Exploration Plan
    - DOCD
    - DPP
- BSEE Permitted Well Operations:
    - Application for Permits to Drill
    - Application for Permits to Modify/Revised Permits to Modify, particularly for proposed explosive charges during decommissioning
- BOEM G&G Permit Applications
- BSEE Permitted Lease Term and Right-of-Way Pipeline Operations
    - Pipeline Installation Permits
    - Pipeline Modification Permits
- BSEE Structure Permitted Operations
    - Structure Installation Permits
    - Structure Modification Permits
    - Structure Repair Permits
    - Structure Removal Permits

The MOA also outlines each agency's role in the Environmental Studies Program, which facilitates the science that supports the NEPA analysis and environmental compliance/monitoring that is performed in each of the functional areas listed above.

High level, interdependent SOPs for each functional area identified in the MOA outline the specific actions expected of each agency. The specific actions are assigned to the departments or offices within each agency that are expected to perform the action.

Weaknesses

Many BOEM/BSEE positions are listed in the MOA as "contacts", but those positions that negotiate across divisions or initiatives versus those that are responsible for the implementation of this agreement (allies versus owners) are not apparent and the levels of responsibility are not as clear as they could be. Also, some critical positions, such as BSEE headquarters positions, are not included among the list of contacts.

A good interagency agreement should identify mechanisms for regularly communicating outcomes of the agreement. However, this MOA and supporting high level, interdependent SOPs do not provide a clear mechanism for developing and distributing outcome summaries that communicate the effectiveness of the MOA or the performance of each agency under the agreement. Furthermore, the MOA has no clear mechanism identified to communicate values and resolution of disputes that may arise between BOEM and BSEE during the execution of the interdependent functional areas.

Opportunities

To regularly work with BOEM to identify and document specific data/information needs from BSEE at the headquarters or national level is a recommended outcome of this MOA that would enhance BOEM's NEPA process and BSEE's contribution as cooperating agency in the development of BOEM NEPA documents. This exploration, development, production, and decommissioning derived data/information could include:

- Engineering and operational risks that have not been previously assessed by BOEM and may pose potentially significant environmental consequences
- Discussion of how the aforementioned engineering and operational risks are mitigated through BSEE regulations and adopted engineering standards
- Performance of currently adopted engineering design standards
- Performance of industry's compliance with operational and environmental requirements and mitigations/conditions of permit approval
- Environmental compliance and pollution prevention and control inspections performed
- Successful BSEE enforcement actions

The Offshore Steering Committee (OSC) team, as defined in the 2014 BOEM/BSEE/ONNR MOU, could be adopted into this MOA to serve as the internal and system allies or those positions responsible for supporting, advocating, and enforcing the collaboration of NEPA and environmental compliance within both BOEM and BSEE and across all Regions. The OSC team would also be responsible for monitoring, measuring, and disseminating the outcomes of the implementation of this MOA to stakeholders on a regular basis, communicating values and resolution of disputes that could arise between BOEM and BSEE during the execution of the collaborative agreement, and maintaining the high-level, interdependent BOEM/BSEE SOPs that tier from the MOA.

Utilizing and enhancing the 2012 BOEM/BSEE SOP on Environmental Compliance, Evaluation Feedback for Monitoring and Mitigation should be considered as one potential mechanism to circulate MOA outcome summaries to key stakeholders on a routine basis. Regular BOEM and BSEE meetings, at least annually, could be designed to disseminate this critical information amongst mangers and senior staff and serve as a mechanism to help meet the adaptive management goal.

The interdependent SOPs that tier from the MOA identify BOEM/BSEE program offices that are responsible for certain activities under each functional area. However, it is recommended that regional implementation teams made up of the field management are included in the MOA with defined, explicit responsibilities. The responsibilities would include day-to-day monitoring of responsibilities outlined in the interdependent SOPs as well as the development and/or maintenance of detailed, program office SOPs for coordinating and executing field work.

External allies should be specified and both partnering agencies should develop action plans to engage these allies to the fullest extent. External allies may include non-governmental organizations (NGOs), congressional members, media, etc. Tools such as meetings, special working groups, workshops, and conferences that are integrated into each partnering agency's regulatory management program and coordinated with these external allies would ensure that they are informed of BOEM and BSEE's activities and efforts, increase transparency, may help rally support, and may assist with procuring resources required to the meet the deliverables of the agreement.

Threats

Agency supported databases and web application, such as the Technical Information Management System (TIMS), TIMSWeb, eWell, and the National Consolidated Information System (NCIS), are not fully integrated in all of the BOEM and BSEE regions. Processes that do not use sanctioned databases and web applications to document all exploration, development, production, and decommissioning activity and decisions put at risk the ability of both BOEM and BSEE to reasonably collect data to monitor and measure outcomes of the this MOA.

The recent BSEE restructuring may affect how the agency delivers or meets its responsibilities /expectations under this MOA. The impacts of the organizational restructuring and the impacts should be evaluated across all Regions to identify, document, and mitigate any new resource or responsibility gaps.

Staffing projections that were calculated during the 2011 reorganization have not yet been realized to date and has contributed to BSEE's inability to meet its assigned responsibilities as envisioned through this MOA. Therefore, BSEE faces challenges such as performing NEPA reviews that keep pace with the required permitting, performing timely and meaningful environmental compliance verification and enforcement, and performing comprehensive and timely adaptive management with BOEM.

Considerations for the Future State

The future state of each of the above MOUs and MOA should:

- Build on the identified strengths
- Address the identified weaknesses
- Use the identified opportunities
- Confront the identified threats

Appendix G: Analysis, Review, and Recommendations for State Agreements

There are four existing agreements with coastal States (Alaska, California, Texas, and Louisiana). All four are agreements between State agencies and the Minerals Management Service (MMS). The agreements with Alaska, California, and Louisiana were between the MMS Regional Offices and State agencies related specifically to oil spill prevention and response. However, the agreement with Texas was between MMS as a whole and the Texas General Land Office. The agreements with Alaska, California, and Texas include provisions related to responsibilities now residing within the Bureau of Ocean Energy Management (BOEM) and the Office of Natural Resources Revenue (ONRR).

Federal party	State party	Year of agreement	Type of Agreement
MMS Alaska Regional Office	State of Alaska Department of Environmental Conservation (ADEC)	2005	Letter of Agreement (LOA)
MMS Pacific Regional Office	California Department of Fish and Game, Office of Oil Spill Prevention and Response (OSPR)	1995	Memorandum of Agreement (MOA)
MMS (signed by Director)	Texas General Land Office	1994	Memorandum of Understanding (MOU)
MMS Gulf of Mexico Regional Office	Louisiana Oil Spill Coordinator's Office, Office of the Governor (LOSCO)	1994	MOU

BSEE Oil Spill Preparedness Division has prepared a draft update to the LOA with Alaska, however, that draft has not been agreed to by both parties and so far has not been finalized. The other agreements have not been updated in over 20 years.

Strengths

1. The agreements promote Environmental Stewardship by providing a framework for improving preparedness to respond to an oil spill from offshore facilities through cooperation by Federal and State agencies. Improved spill response can potentially mitigate environmental impacts from an oil spill.
2. The provisions of the agreements related to coordination of response equipment inspections and unannounced exercises are currently largely incorporated into the BSEE Oil Spill Preparedness Division's Standard Operating Procedures.

Risks

1. The most recent agreement was made in 2005. The others are more than 20 years old.
2. Some provisions of the agreements are not currently being implemented, particularly those related to pollution prevention inspections and inspection guidelines for offshore facilities in State waters and those pertaining to coordination of research efforts pertaining to spill response technologies.
3. It's unknown whether the provisions related to functions now being conducted by BOEM and ONRR are being implemented.
4. The agreement with LOSCO and TGLO pertaining to sharing of OSRP review information and the sharing by LOSCO of information regarding offshore facilities in Louisiana State waters is not being implemented.

Recommendations

1. The agreements should be updated to reflect the current roles and responsibilities of BSEE (particularly the Oil Spill Preparedness Division), BOEM, and ONRR and the respective State agencies. The appropriate offices within BOEM and ONRR should be consulted during this process.
2. The updated agreements should address mechanisms for more efficient sharing of information regarding offshore facilities in State waters, particularly for the States of Texas and Louisiana.

State-specific Information

All four agreements include provisions related to review and approval of Oil Spill Response Plans (OSRPs), inspections, investigations, and enforcement, and drills and exercises, with the following specific provisions for each:

OSRPs

Alaska

Oil Discharge Prevention Contingency Plans (ODPCP) approved by ADEC will normally satisfy requirements of 30 CFR 254. MMS will coordinate with ADEC to resolve or clarify any discrepancies or conflicts between Federal and State regulations. ADEC will notify operators submitting ODPCPs that the plan must also be submitted MMS to satisfy requirements of 30 CFR 254, Subpart D, pertaining to facilities in State waters. MMS and ADEC will exchange copies of all pertinent correspondence related to review and action of such plans and any plans for offshore areas which could affect State waters.

California

OSPR will work with MMS to ensure State plans and policies are consistent with the National Contingency Plan. OSPR and MMS agree to consult with each other to enhance contingency planning and ensure Area Contingency Plans and the Statewide Master Plan are consonant and uniform.

OSPR and MMS will coordinate with the US Coast Guard, the Research and Special Programs Administration (RSPA), and EPA when assessing facility plans. OSPR and MMS agree to develop a system to coordinate and conduct, to the extent practicable, reviews of facility response plan in as much of a non-duplicative manner as permitted by applicable laws, regulations, and procedures. OSPR will accept, to the extent practicable, MMS plan requirements and prepare supplementary forms for additional OSPR requirements for facilities in State waters. MMS and OSPR will cooperate to ensure that, to the extent practicable, plan requirements are compatible and do not conflict.

MMS and OSPR will both participate in development of Area Contingency Plans. MMS, PAC OCS Region is invited to provide input and recommendations to the State Interagency Oil Spill Committee (SIOSC).

Texas

GLO will review all response plans for facilities in State waters and will inform MMS of results of these reviews, MMS will also review these plans and consult GLO before taking any regulatory action not consistent with GLO's action. Upon request, MMS will also provide GLO copies of any OSRP covering the OCS offshore Texas and GLO may provide comments. MMS will consult with GLO on any such comments.

Louisiana

MMS will receive and review all OSRPs covering facilities in Louisiana State waters and provide copies to LOSCO when approved. MMS will consult with LOSCO before disapproving any such OSRP.

LOSCO will periodically provide MMS with updated information regarding leases and facilities in offshore Louisiana State waters.

Inspections, investigations, and enforcement

Alaska

MMS and ADEC will jointly develop inspection guidelines for operations in State waters, coordinate inspection and monitoring activities where practicable, may conduct inspections and other activities jointly where appropriate, make inspection records and all applicable information obtained from inspections available to the other, and cooperatively review inspection results.

MMS and ADEC will cooperate in execution of respective regulatory responsibilities to the extent permitted under applicable laws, will coordinate investigations of pollution events subject to requirements and limitations of applicable Federal and State law and policy, and will, to the extent practicable, jointly develop investigation guidelines. To the extent that they reasonably can, MMS and ADEC will consult each other as to intended enforcement actions.

California

MMS and OSPR will, to the extent practicable, coordinate inspection and monitoring activities, jointly develop inspection guidelines for operations in State waters, coordinate inspection and monitoring activities, may conduct inspections and other activities jointly where appropriate, make inspection records and all applicable information obtained from inspections available to the other, and cooperatively review inspection results. The agencies will cooperate in execution of respective regulatory responsibilities to the extent permitted under applicable laws, will coordinate investigations of pollution events subject to requirements and limitations of applicable Federal and State law and policy, and will, to the extent practicable, jointly develop inspection and investigation guidelines.

MMS and OSPR agree to coordinate investigations of pollution incidents subject to requirements and limitation of applicable State and Federal law and policy including, but not limited to, information regarding witnesses, reports, analysis, and other information that may assist in determining the cause(s). To the extent that they reasonably can, MMS and OSPR will consult each other as to intended enforcement actions.

Texas

MMS and GLO will cooperate on pollution prevention inspections of offshore facilities and response equipment. GLO will conduct pollution prevention inspections of offshore facilities in State waters and advise MMS of any enforcement actions taken. MMS and GLO will jointly schedule inspections of land-based response equipment and each agency will have the opportunity to participate in any such inspections. The agencies will share or jointly prepare inspection reports.

MMS and GLO will cooperate on spill investigations and will exchange reports and statistics. MMS and GLO will establish a method to conduct investigations and exchange reports efficiently.

Louisiana

MMS and LOSCO will jointly schedule inspections of land-based response equipment inspections and exchange or jointly prepare inspection reports.

MMS and LOSCO will establish methodologies and strategies for investigating and reporting major spills from facilities in State waters. MMS and LOSCO will jointly determine the necessity of an investigation of such spills and cooperate in the investigation and the preparation of an investigation report. MMS and LOSCO will coordinate spill investigation strategies and exchange copies of industry and agency spill reports.

Drills and Exercises

Alaska

MMS and ADEC will also cooperate in the planning, scheduling, design, conduct, and evaluation of exercises as resources permit, recognize drills conducted in State and Federal waters by the other agency, and give credit for any drill involving facilities seaward of the coastline in accordance with their respective regulations.

California
MMS and OSPR will cooperate in the planning, scheduling, design, conduct, and evaluation of exercises as resources permit, recognize drills conducted in State and Federal waters by the other agency, and give credit for any drill involving facilities seaward of the coastline in accordance with their respective regulations.

Texas
MMS and GLO will cooperate on spill response drills and each will recognize drills conducted in State and Federal waters by the other. MMS and GLO will jointly schedule unannounced spill drills and provide opportunity to participate in any of these drills.

Louisiana
MMS and LOSCO will cooperate on response drills and will recognize drills conducted by the other agency. For facilities in State waters, MMS and LOSCO will exchange schedules for annual familiarization drills and will jointly schedule unannounced drills and provide opportunity to observe or participate in drills. MMS and LOSCO will exchange industry and agency evaluations of drills.

In addition, two or more of the agreements have provisions related to pollution prevention, rulemaking and regulations, research and information sharing, and spill reports and responses, with the following specific provisions:

Pollution Prevention, Rulemaking and Regulations

Alaska
MMS and ADEC will cooperate to establish consistent pollution prevention requirements and work cooperatively to conduct a joint review of measures beyond current requirements that could be used to modify Response Planning Standards.

Texas
MMS and GLO will exchange information on existing and proposed spill prevention and response rules, identify rules that might be incompatible and attempt to resolve any differences.

Louisiana
MMS and LOSCO will review and exchange their respective existing and proposed regulations regarding oil spill prevention.
MMS and LOSCO will exchange information of mutual interest and provide each other with early drafts of rulemaking notices.

Research and Information Sharing

Alaska
ADEC and MMS will cooperate in coordination of research and other informational programs of mutual benefit, including sharing non-confidential data, providing joint funding, and developing analytical methodologies.

California

MMS and CA OSPR agree to share information from relevant studies, subject to limitations of applicable laws and regulations. MMS and CA agree to advise the other of information received concerning events (spills or substantial threat of spills) that may impact the other party. OSPR and MMS will cooperate in coordination and implementation of research and other informational programs, including sharing non-confidential data, providing joint funding, and developing analytical methodologies. MMS and OSPR will meet at least once per year to discuss information sharing agreement and future information sharing strategies.

Texas

MMS and GLO will cooperate on technological research related to operational safety and oil-spill prevention and response, will annually exchange proposed research lists, and will exchange summary reports of ongoing and completed projects.

MMS will cooperate with GLO and the Department of Energy in encouraging the transfer of exploration, production, safety, and pollution prevention technology to independent oil and gas companies and will disseminate the results of technology assessments and research projects to independent companies. MMS will conduct one or more workshops to assist independents in the development of Safety and Environmental Management programs.

MMS and GLO will cooperate on spill trajectory analyses and environmental studies and will share information, oceanographic observations, and data sets to further understanding of ocean circulation and oil-spill trajectory paths in the Western GOM. MMS and GLO will cooperate on environmental studies needed for prediction, assessment, and management of the impacts of offshore oil and gas operations on the human, marine, and coastal environments. At a minimum, MMS and GLO will exchange information from past research and plans for future studies.

Spill Reports and Responses

California

MMS and OSPR agree to provide the earliest possible notification of discharges and sightings of oil and hazardous substances and imminent threats of such discharges to each other, provide timely input and recommendations to the FOSC (in the event of a spill) through the Unified Command System on dispersant usage, in-situ burning, bioremediation, and other non-mechanical cleanup technologies.

Louisiana

For spills originating from State facilities, MMS will provide assistance to LOSCO, upon request, in ensuring that the responsible party abates the source and removes the spill in accordance with their OSRP. For spill originating from OCS facilities that threaten State waters, MMS will provide information and assistance to LOSCO.

Other Provisions of the Agreements Include:

California

Transportation

MMS and OSPR will cooperate in transport of each other's personnel to observe or participate in inspections, drills, or exercises conducted at facilities in State waters or that may impact State waters. MMS will provide OSPR transportation via MMS-contracted helicopter for an MMS inspection, drill, or exercise, on a non-reimbursable basis, subject to space availability, and will allow OSPR to utilize MMS-contracted helicopters on a reimbursable basis, for OSPR oil spill inspections, drills, or exercises on offshore facilities, subject to availability.

Texas

Training

MMS and GLO will cooperate in training personnel. Upon request, GLO representatives may accompany MMS personnel to OCS facilities for training purposes. MMS will provide GLO with completed inspector training modules and instructors from MMS as workload permits.
MMS and GLO will cooperate on pollution investigations and exchange pollution investigation reports and statistics.
MMS and GLO may exchange personnel for training purposes.

Implementation

One senior official from each agency will be responsible for coordinating and implementing the provisions of the MOU.

Louisiana

Performance testing of response equipment

MMS and LOSCO may agree to require performance testing of any response equipment listed in an OSRP.

Training of response personnel

MMS will ensure all spill operating and management teams are training annually and will seek LOSCO assistance in auditing such training.

The Alaska, California, and Texas agreements also contain provisions related to functions now performed by BOEM:

Financial Responsibility (BOEM)

Alaska

Upon submission of application for approval of financial responsibility under ADEC regulations, ADEC will notify operators that OSFR must be submitted to MMS.

California

MMS and OSPR will share information regarding financial responsibility required for offshore facilities located in State waters or that may impact State waters. MMS and OSPR will each provide a listing of all offshore facilities that have met applicable financial responsibility requirements to include the names of the owners or operators and the required amount of coverage and notify each other upon becoming aware of any changes to the status of an offshore facility's financial responsibility status.

Texas

Mapping activities (now BOEM)
Leasing and CZM (now BOEM)
Royalty Management (ONRR)

Bureau of Safety and Environmental Enforcement
Department of the Interior
1849 C Street, NW
Washington, DC 20240